

Steven F. Alder (#00033)
Kassidy J. Wallin (#14360)
Assistant Utah Attorneys General
Utah Division of Oil, Gas and Mining
1594 West North Temple St. #300
Salt Lake City, Utah 84116
Tel. 801 538-5348

FILED

JAN 17 2014

**SECRETARY, BOARD OF
OIL, GAS & MINING**

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

IN THE MATTER OF THE REQUEST FOR
AGENCY ACTION OF CRESCENT POINT
ENERGY U. S. CORP. FOR AN ORDER
EXTENDING THE BOARD'S ORDERS
ENTERED IN CAUSE NOS. 131-14 AND
131-24 TO ESTABLISH SECTIONAL (640
-ACRE OR SUBSTANTIAL
EQUIVALENT) DRILLING UNITS AND
TO AUTHORIZE UP TO 16 PRODUCING
WELLS PER DRILLING UNIT SO
ESTABLISHED FOR THE PRODUCTION
OF OIL, GAS AND ASSOCIATED
HYDROCARBONS FROM THE LOWER
GREEN RIVER AND WASATCH
FORMATIONS UNDERLYING THE
RANDLETT AREA, COMPRISED ON
VARIOUS SECTIONS IN TOWNSHIPS 3
SOUTH, RANGES 1 AND 2 EAST, USM,
AND TOWNSHIP 4 SOUTH, RANGED 2
EAST, USM, UINTAH COUNTY, UTAH.

**MOTION TO DISMISS CRESCENT
POINT'S REQUEST FOR AGENCY
ACTION AS MODIFIED**

Docket No. 2013-034

Cause No. 131-136

The Division of Oil, Gas and Mining (Division), by and through its counsel of record files this Motion to Dismiss Crescent Point's Request for Agency Action as Modified. This Motion is filed prior to the hearing in response to the request by Crescent Point in its Memorandum of Points and Authorities in Support of Request for Agency Action as Modified that "the Board

initially . . . determine only whether it agrees with Crescent Point that sectional spacing is appropriate or deny the Request. The other issues and relief requested are contingent upon that decision, i.e. if the Board denies the sectional spacing, no decision is required as to the remaining issues.” As set forth in detail in its Memorandum filed in support of this Motion, the Division cannot, based on the undisputed facts filed in this case, find any legal or factual basis for sectional spacing and ask that the matter be dismissed.

The evidence does not and cannot support the establishment of a 640-acre drilling unit for the subject lands consistent with the requirements of the statute governing the establishment of drilling units. Utah Code § 40-6-6. The extension of prior orders to these lands on a section-wide basis is also not justified by the facts, prior orders, or any other provision of the statute.

Initially Crescent’s brash statement that it will not accept spacing of these lands on any other basis than as requested suggests that the Board must either adopt Crescent’s approach or forego any spacing of the lands and is precluded from making an alternative interpretation. However, the Board is charged with the obligation to prevent waste, promote the development and production of oil and gas, and fully protect the correlative rights of all owners. Utah Code § 40-6-1. The Board is further authorized to make orders necessary for the spacing and location of wells Utah Code § 40-6-5(3)(b). The provisions of Utah Code § 40-6-6 do not limit who can initiate requests for spacing orders. The Board may file a request for agency action and arguably the Division could also initiate such an action. Utah Code § 40-8-8. Only the Board may order the establishment of drilling units for any pool. Utah Code § 40-6-8-6(1). Accordingly, if alternative spacing were necessary to protect correlative rights the Board might enter an order.

However, under Utah law spacing is not mandatory, and the Board can also dismiss the action rather than agree with a Request. In this case the dismissal of the RAA will allow the lands to be developed under the general well siting rule. It appears that development has not been stifled by the absence of spacing and that the 40-acre well siting rule has been conducive to development of these lands and is not inconsistent with the drainage area for wells in the area. There does not appear to be any danger that correlative rights will be adversely affected by not spacing these lands. Not spacing the lands will provide more protection to the owners of their correlative rights than spacing on a sectional basis. Alternative spacing on a smaller 160 or 40 acre drilling area over the objections of the Petitioner is not warranted.

Accordingly without suggesting that the Board may not enter a spacing order in this matter that is different than the sectional spacing requested, the Division asks that the matter be dismissed.

SUBMITTED this 17th day of January, 2014.



Steven F. Alder (#00033)
Kassidy J. Wallin (#14360)
Assistant Utah Attorneys General
Utah Division of Oil, Gas and Mining

Steven F. Alder (#00033)
Kassidy J. Wallin (#14360)
Assistant Utah Attorneys General
Utah Division of Oil, Gas and Mining
1594 West North Temple St. #300
Salt Lake City, Utah 84116
Tel. 801 538-5348

FILED

JAN 17 2014

**SECRETARY, BOARD OF
OIL, GAS & MINING**

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF CRESCENT POINT ENERGY U. S. CORP. FOR AN ORDER EXTENDING THE BOARD'S ORDERS ENTERED IN CAUSE NOS. 131-14 AND 131-24 TO ESTABLISH SECTIONAL (640 -ACRE OR SUBSTANTIAL EQUIVALENT) DRILLING UNITS AND TO AUTHORIZE UP TO 16 PRODUCING WELLS PER DRILLING UNIT SO ESTABLISHED FOR THE PRODUCTION OF OIL, GAS AND ASSOCIATED HYDROCARBONS FROM THE LOWER GREEN RIVER AND WASATCH FORMATIONS UNDERLYING THE RANDLETT AREA, COMPRISED ON VARIOUS SECTIONS IN TOWNSHIPS 3 SOUTH, RANGES 1 AND 2 EAST, USM, AND TOWNSHIP 4 SOUTH, RANGED 2 EAST, USM, UINTAH COUNTY, UTAH.

**MEMORANDUM IN SUPPORT OF
DIVISION'S MOTION TO DISMISS
CRESCENT POINT'S REQUEST FOR
AGENCY ACTION AS MODIFIED**

AND

**DIVISION'S RESPONSE TO
CRESCENT POINT'S MEMORANDUM
OF POINTS AND AUTHORITIES**

Docket No. 2013-034

Cause No. 131-136

The Division of Oil, Gas and Mining (hereafter "Division"), by and through its counsel of record, files this Memorandum in Support of its Motion to Dismiss Crescent Point's Request for Agency Action as Modified, and in Response to Crescent Point's Memorandum of Points and Authorities. This Memorandum is intended to supplement the memorandum filed by the Division on November 19, 2013 in response to the Request. The Division asks that the Board consider that memorandum as part of the record in this matter.

PROCEDURAL AND FACTUAL BACKGROUND

On October 14, 2013, Crescent Point Energy U.S. Corp. (hereafter “Crescent”) filed its original Request For Agency Action (hereafter “RAA”) asking the Board to establish 640-acre drilling units, to allow drilling of up to 16 in-fill wells per drilling unit, to approve existing wells as legally acceptable locations, and to approve the drilling units retroactively to the respective dates of first production for the existing wells. Prior to the December Board hearing, MJG Western Exploration & Development, LLC (hereafter “MJG”) filed a Request for Continuance alleging it was adversely affected by the retroactive spacing and needed additional time to prepare their response. The Board granted the motion and continued the matter until the January 22, 2014 Board Hearing.

On December 16, 2013, Crescent filed a “Modification of Request for Agency Action to Withdraw Certain Lands.” This Modification purported to remove certain lands from the reach of the RAA, including those lands in which MJG had an affected interest. Subsequently, MJG filed a Response to the RAA, a Joinder in Petitioner’s [Motion for] Modification of Request for Agency Action to Withdraw Certain Lands, and a Motion to Dismiss MJG from the cause. The Board has not ruled on these motions, but it is assumed that the Modification will be accepted, and that MJG will be dismissed.

On January 10, 2014, Crescent filed a Memorandum of Points and Authorities in Support of Request for Agency Action as Modified. The Memorandum addressed the issues the Division raised in its November 19, 2013 Memorandum, including the size of the requested spacing units and the retroactivity of the requested spacing units.

The RAA as modified seeks to establish drilling units (spacing) for the Lower Green River and Wasatch Formations on 54 sections of unspaced lands located Southwest of

Randlett, Utah. These 54 sections of land generally form the shape of a horseshoe (or crescent), and are relatively undeveloped for as oil and gas production—there are just 19 wells on the entire 54 square miles. The lands are located between the Bluebell Field and the North Monument Butte Fields, *see* RAA Exhibits C, F-2, and I, and all but one of the existing wells began producing in 2013 or later. With the exception of two wells (located in the NW1/4 of Section 15 T4S R2E), all of the 19 wells are at locations consistent with 160 acre spacing; i.e. one well per quarter section. Since these wells have been drilled on locations allowed under the general siting rule, all of the locations are also consistent with 40-acre spacing.

The lands immediately to the south, within the horseshoe of the subject land, (including the lands withdrawn from the RAA) are not spaced but have been extensively developed under the general siting rule with up to 16 wells having been drilled per section.

Ownership of the lands within the RAA is a mix of tribal minerals (100% leased by Crescent), Indian Allottee lands (partially leased by Crescent), and third party fee lands (partially leased by Crescent). The lands are located within the boundary of the Randlett Exploratory Development Agreement between the Ute Tribe and Crescent's predecessor in interest. *See* RAA Exhibit E. The Division has been advised by counsel for Crescent that production has been shared on a lease basis, and that the leases coincide with the ownership tracts as shown on RAA Exhibit D. Only two of these lease tracts include an entire section and most are much smaller. None of the production is being shared on a 640-acre basis.

SUMMARY OF ARGUMENT

I. A SECTIONAL 640-ACRE DRILLING UNIT IS NOT APPROPRIATE FOR THESE LANDS.

A. When An Area Is Initially Spaced, The Drilling Unit Should Approximate The Area That One Well Would Reasonably Be Expected To Drain.

1. Drilling Units Must Be Based On The Evidence Presented At The Hearing.

2. The Size Of A Drilling Unit Previously Established For Adjacent Lands Even On The Same Common Source Of Supply Does Not Control The Size Of A Drilling Unit To Be Determined For Un-Spaced Lands.

B. Simultaneous Spacing And Approval Of In-Fill Drilling Is Generally Not Consistent With The Statutory Purposes Of The Act And Should Be Allowed Only When Necessary To Fulfill Other Statutory Obligations.

C. Drilling Units Must Be Fair And Reasonable.

1. Sectional Drilling Units That Are Inconsistent With Actual Drainage Create Inequities And Are Not Fair And Reasonable.

2. It Is Not Unfair Or Unreasonable To Establish Spacing Based On The Evidence Rather Than On A Sectional Basis.

D. Prior Orders Relied On By Crescent Are Distinguishable And Do Not Require Sectional Spacing Order In This Case.

1. The Board Is Not Bound By Prior Orders And May Make Inconsistent Findings If Required By The Law And Facts As The Board Determines.

2. The Orders Are Based On Different Facts And Do Not Support Sectional Spacing In This Matter.

II. RETROACTIVE SPACING IS NOT REQUIRED OR APPROPRIATE IN THIS CASE.

A. The Utah Oil And Gas Conservation Act Generally Precludes Retroactive Spacing Except When There Is Inequitable Conduct.

B. Federal Regulations Do Not Mandate Retroactive Spacing.

ARGUMENT

I. A SECTIONAL 640-ACRE DRILLING UNIT IS NOT APPROPRIATE FOR THESE LANDS.

A. When An Area Is Initially Spaced, the Drilling Unit Should Approximate the Area That One Well Would Reasonably Be Expected To Drain.

The legal standards governing the establishment of drilling units in Utah are set forth at Utah Code § 40-6-6. When establishing a drilling unit, it is to be of a size such that only one well will be drilled in it for production of the common source of supply. Once a drilling unit has been established by order of the Board, no other wells can be drilled in the drilling unit unless the Board modifies the spacing order. Thus, when establishing a drilling unit, the goal is to estimate the area that one well can “efficiently and economically drain,” keeping in mind the provision that the drilling unit not be smaller than such an area. The provision that a drilling unit should not be smaller than an area drained by one well, when read together with the provision allowing “one well” per drilling unit, suggests that drilling units should not be oversized, but should be tailored as closely to the drainage area of one well as possible. *Compare* Utah Code § 40-6-6(2) *with* Utah Code § (40-6-6(3).

1. Drilling Units Must Be Established Based On The Evidence Presented At The Hearing

The establishment of drilling units requires the Board to balance two requirements of the statute: to allow for just one well per drilling unit; and to not have the area smaller than the area one well will drain. To accomplish this, the Board relies on expert testimony of landmen, geologists and petroleum engineers. These experts identify the lands to be spaced, and provide evidence and testimony to estimate the probable drainage area for a pool. The determination is based on a combination of many factors, such as the structural geology of the area, the depositional environment at the time of formation, the depth of the formation or

pool, the porosity of the rock, the type of resource (gas or oil), characteristics of the resource such as density and gas/oil ratio, the methods of extraction, the costs of production, the location of the resource, the value of the oil and gas, and more.

The Board's application of the law to such evidence relies on estimates and averages for the resource and the pool. Although ideally or theoretically one sized drilling may be established once for a pool, this is not usual and is not a requirement of the statute. A "pool", or common source of supply,¹ that is geographically extensive, such as the Green River Wasatch Formation that extends over hundreds of square miles, will vary from area to area in characteristics such as porosity, depth to strata, gas to oil ratios, etc. In addition, drilling methods selected and value of the resource will affect the area that one well can "economically" drain. There is uncertainty with regard to all testimony and evidence. The wise application of the statute requires that the first drilling unit for a pool be established with an allowance for error by making it larger than might be most efficient. After a steady period of production, a more accurate estimate is possible.

In this case, Exhibit O shows that wells within the subject lands are expected to drain no more than 78 acres and as little as 6 acres with an average of about 40 acres. Exhibit P shows that for land south of the subject lands, the drainage area varies from 5 to 200 acres. Crescent has not presented the average drainage area for these wells, but a visual inspection of the drainage bubbles on Exhibit P suggests that there is only one well that appears to drain more than 160 acres and that most wells drain much smaller area closer to the 40 acres shown for the subject lands. No evidence supports a drainage area of 640 acres or even 320 acres.

¹ Utah Code § 40-6-2(19) defines "pool" as "an underground reservoir containing a common accumulation of oil or gas or both. . . ."

Apparently Crescent believes that the evidence supports allowing up to 16 wells per section which would correspond to a 40-acre drilling unit for the spaced lands. The wells immediately adjacent on the South of the Subject Lands have been developed on 40-acre siting without spacing. Arguably, a 40-acre drilling unit might be smaller than the area that one ‘typical well’ would efficiently drain. Since the lands have not been spaced, and there is relatively little development over this large area, it would be wise to be conservative and so the Division would support a drilling unit size of a quarter section—160 acres. All but two of the existing wells are drilled at locations that are consistent with 160-acre spacing.

Crescent’s evidence does not attempt to support and cannot support a finding that one well will drain 640 acres. Crescent’s RAA for spacing is based on other criteria that are not provided in the statute and that are improper basis for establishing a drilling unit.² Because the evidence does not support sectional spacing and the alternative arguments of for sectional spacing are contrary to the statute and law, the Request for sectional spacing should be denied. Crescent states in its memorandum that if the Board will not grant the request for sectional spacing they do not desire spacing. Accordingly, the Request should be dismissed.

2. The size of a drilling unit previously established for adjacent lands even on the same common source of supply does not control the size of a drilling unit to be determined for un-spaced lands

It would be error to enter a spacing order on the theory that it is mandated because of a prior order for adjoining lands. There is no requirement in the statute or in case law requiring that a drilling unit be the same size for all lands that cover a common supply. Such a requirement would defeat the rights of owners who were not parties to the hearing to have their own hearing and obtain an independent determination, and would deprive the Board of

² Crescent argues that 640-acre spacing is justified because adjacent lands that overlie the “same pool” are spaced on a sectional basis.

its obligation to make that determination in accordance with the requirements of the statute. There is no such requirement and it would be unwise to bind all subsequent owners and operators to the conclusions reached by the first Board order based on the evidence at that time. The Board must do its duty in each case based on the evidence.

The only authority that Crescent cites for such consistency is the language that “Each drilling unit shall be of uniform size and shape, unless the board finds that it must make an exception due to geologic, geographic, or other factors.” Memorandum of Points and Authorities at 9 (quoting Utah Code §40-6-6(4)(a)). This language was not intended by the drafters as an overriding mandate that would preclude the Board, when hearing evidence for an un-spaced area over a common source of supply such as the Green River Wasatch Formation, from making the more critical investigations and determinations regarding drainage area at a later time when more information is available. The language in this provision is too vague and broad to have been intended to carry the limitation Crescent seeks. Even if this was the intention, the exceptions for “geologic, geographic, or other factors” would make the limitation almost meaningless since it plainly allows drilling units of different sizes for the same pool based on these broad factors. The exception allows the Board to use almost any other criteria to make a different determination. Such a broad allowance for exceptions belies the idea that it was ever intended as a limitation on the power of the Board to make an independent determination for each case. If this had been intended, the statute would not be so cavalier about exceptions and it would be expected to expressly address common problems of consistency with prior orders for lands and by necessity would have addressed simultaneous spacing and infilling.

A more reasonable intent for this language is that it was intended to govern the consistency of the individual drilling units when making a spacing order for a pool; i.e. the

sizes of the many individual drilling units in an area spaced by an order. This is consistent with the Board's practice, which allows odd-sized drilling units when necessary for geographic factors, such as survey irregularities, or rivers. Geographic factors would not be a basis for determining the area that a well drains.

Applying the "uniform size and shape" language to require the same sized drilling unit for all spacing orders for a common source of supply as large as the Lower Green River and Wasatch Formation, fails to accomplish the very purpose of the spacing hearing, which is to limit the rule of capture, define ownership, and establish correlative rights.

Crescent also bases its insistence on a sectional drilling unit on the provision permitting the Board to extend a spacing order to adjacent lands that overlay the pool. Utah Code § 40-6-6(60(b)). The language allows for modifications of a spacing order; but generally not the spacing of un-spaced lands. Once a drilling unit is established and wells are drilled with production to be shared, certain rights of ownership and a history of shared production are also established. These rights and obligations are difficult if not impossible to unravel. For that reason, when changes occur that justify a change in the size of the area that a well can drain due to changes in the nature of the resource, drilling methods, value of the resource or any other cause, the remedy is to return to the Board and modify the drilling unit, to allow infill drilling or some other change. For a very large area that has established a drilling unit, this may mean that the original order continues to apply to a large area. However, the need for carrying forward the baggage of older orders does not apply to un-spaced lands.

This RAA is not brought as a modification of any existing order. It is not filed under the heading of any such order, but as a new spacing request for un-spaced lands. Crescent is not seeking to enlarge the lands applicable to any of the adjacent orders, but only to apply the

sectional size of the adjacent orders while simultaneously changing the number of wells which is dependent on showing the size of the area to be drained. There is no reason to transplant a drainage area that is no longer applicable and was established in a prior order except if there is a modification of the original order. Exhibit D shows that the area to the West has been spaced on a sectional basis with four wells allowed per section, but Crescent is not asking for that order to apply. The lands to the north are spaced on two wells per section, but Crescent does not want that order to apply either. Crescent is seeking to create a new order and there is no obligation that it be bound by these prior orders. Even if this was the intention, the language does not supplant the primary statutory purpose which is to determine drainage area.

If a well will only drain 40 acres there is little reason to require that production be shared with owners of land that the evidence shows will not be drained. The Act allows the Board to approve pooling of resources and requiring that owners share in expenses of wells or risk penalty, but such orders first requires a spacing order. Utah Code § 40-6-6.5. To impose such governmental authority there must be a valid order with sound evidence. It is not right to require sharing expenses and resource based on some historic order that the evidence no longer supports.

It has never been the practice of the Board to forego the testimony of the petroleum engineer when the geologist establishes that this is a common source of supply that is the same as for an adjoining spaced area. The Board takes into consideration all factors related to the area of drainage, from economics to porosity. Crescent is effectively attempting to use this vague language to require the Board to apply a “field wide uniform spacing. The Board has never done so. If it were to try, it would do so expressly and give notice to all persons that may be affected.

Thus, there is no basis for establishing a drilling unit based on the language that drilling units shall be of uniform size and shape. Crescent is not seeking to modify any existing order to add these lands. This is a new spacing matter and the parties are entitled to begin with a clean slate.

B. Simultaneous Spacing And Approval Of In-Fill Drilling Is Generally Not Consistent With The Statute And Purposes Of The Act And Should Be Allowed Only When Necessary To Fulfill Other Statutory Obligations.

Recognizing that a sectional drilling unit of 640 acres is inconsistent with the evidence and the statutory requirements, Crescent seeks to cure these problems by asking the Board to simultaneously “modify” the order to allow infill drilling of up to 16 wells per section; a 40-acre equivalent. This attempt to use the provision allowing modification of an order is an obvious misuse of that provision and would essentially emasculate the requirement that a spacing order be based on the area one well can drain. If allowed it would eliminate the requirement for spacing based on drainage area; the essential and central purpose of spacing.

As has been explained, when lands have been spaced, the Board may (based upon proper evidence) allow for drilling of additional wells within the drilling unit, but this modification of an order would be at another hearing based on additional evidence. Utah Code § 40-6-6(6)(d). While it is not unusual to allow infill drilling for already-spaced areas, the primary reason is the difficulty of reversing the sharing of production. If there has not been drilling in a spaced area, the statute also allows for down-spacing to a smaller drilling unit, but to allow sectional spacing and simultaneously allow infill drilling of up to 16 wells per drilling unit is to ignore the statute’s core purpose and provisions.

Occasionally, spacing orders will allow more than one well when required due to

physical constraints of topography or odd-sized sections as in the *Axia* matter decided in October, 2013. These situations are the type of adjustments intended by the exceptions provision to the “uniform size and shape” requirement for circumstances required by geologic or geographic factors. Utah Code § 40-6-6(4)(a). Authority for such orders may also be found in the power and duty of the Board to avoid waste, protect correlative rights, and to make orders establishing drilling units that are just and reasonable. Utah Code § 40-6-1 and § 40-6-6(5)(a).

Recently some orders approving horizontal drilling units have also allowed for simultaneous approval of substantial numbers of additional wells, but this has usually been done either on a pilot project basis to determine the appropriate spacing for such wells with the understanding that the initial drilling will establish a more accurate spacing based on actual drainage area for one well or due to the fact that the general siting rule for horizontal wells allows for a sectional drilling, even though more than one horizontal well is assumed to be necessary for such a temporary section-wide location.

In any event, such unusual situations are not in direct contradiction to the drilling unit statute in the way the simultaneous spacing and infill drilling as requested in this case is. If allowed in this matter, there would be no reason for an operator not to make such requests in the future. As will be discussed below, the inequities and problems associated with such spacing would proliferate and could not be prevented. The statute requires first that an area be spaced and that spacing is to be based on the drainage not some other factors. This simultaneous sectional spacing and infilling violates the general intent of the Act and should only be allowed in the unusual circumstances where it is necessary to fulfill some other purpose such as avoiding waste. The simultaneous infill drilling on such a large area in this case appears to have been done to thwart the purposes of the Act rather than fulfill them.

C. Drilling Units Must Be Fair And Reasonable.

1. Sectional Drilling Units that are inconsistent with actual drainage and/or allow for infill drilling create inequities and are not fair and reasonable.

Crescent argues that it would be unfair to treat the subject lands differently than the other lands overlying the same pool. It is hard to know how this is unfair. As discussed above, sectional spacing is not necessary to meet the requirements for spacing these lands. On the other hand, there are many inequities associated with establishing a drilling unit that is much larger than the area that is actually being drained by a well. If the Board establishes 640-acre drilling units, the production from just one well per section will be attributed to all owners in the section. This attribution will allow the operator to hold all of the leases with less drilling than if there were smaller drilling units. The operator gains an advantage, but there may be a less expeditious development of the area. The operator's incentive is to hold as many sections as possible and so to drill only one well until all of the sections are held by production.

The Randlett Exploration Development Agreement (EDA) boundary is shown on Exhibit D. Based on that exhibit, all of the lands in the RAA are subject to this agreement between the tribe and Crescent. The Division has not seen a copy of this agreement, but understands that such agreements require the drilling of wells under certain time constraints in order to maintain or acquire options for leases within the area. This obligation to drill or lose leases exacerbates the natural tendency to maximize holdings with minimal development. Thus, the sectional drilling is advantageous to the operator but at the expense of the lessees. Without sectional spacing, the lessees might otherwise either receive payments associated with production, or be able to terminate the leases, and negotiate leases with another operator on better terms. Sectional spacing creates an unfair advantage for the

operator and is unfair to the lessees.

Sectional drilling units exacerbate the problems associated with existing wells and create more inequities. For sections with existing wells, a larger drilling unit creates more problems than a smaller drilling unit regardless of whether the order is retroactive to the date of first production or not. If the spacing is retroactive, the owner receives no compensation for having taken the risk to drill the well and must repay moneys received and hope the other wells are drilled and are as productive; and if the order is not retroactive then he keeps payments received and collects from the others who did not share in his production. For sectional spacing, this problem applies for all producing wells, but if the spacing is smaller (in accordance with the evidence of draining) there are fewer problems. If a 40-acre spacing were applied there would be no issue of repayment in the event of retroactive spacing and there would be no unfair sharing for prior production if the order is not retroactive. For 160-acre drilling units there are only a few wells that would require some accounting for past production than sectional drilling units. Thus, sectional spacing is unfair to the extent that it either creates or exacerbates the problems of distribution of production for existing wells by retroactive spacing or otherwise. Sectional spacing contrary to the evidence of drainage is unfair to the owners in sections with existing wells.

For sections without existing wells, in addition to the potential for delay and uncertainty of production to the leased owners due to the operators incentive to drill only one well per section, the unleased owners incur greater expense and delay in drilling their own wells (assuming infill drilling is allowed). If there is sectional spacing, unleased owners must pool all of the owners in the section in order to drill a well. If the land is spaced on 160-acre density (or 40-acre), the number of owners to be pooled is either less or none and the possibility of requiring a forced pooling hearing is also either less or none. This is not

only an expense to the owners but to the Division and the Board. If there is one un-locatable owner in a section, it is possible that there would need to be 16 pooling hearings for that section, and many less for a spacing order that complies with the statute and the evidence.

Sectional spacing is not consistent with the statutory requirement that a drilling unit be made upon terms that are just and reasonable. *See* Utah Code § 40-6-6(5)(a).

2. In Is Not Unfair Or Unreasonable To Establish Spacing Based On The Evidence Rather Than On A Sectional Basis.

Crescent argues that to space on any size other than sectional spacing will be unfair because operators are entitled to “production allocation on the same basis as other owners elsewhere in that same pool.” Memorandum of Points and Authorities at 4. However, the only consistency in allocation is that it would be sectional. In all other respects, the sectional drilling units would be completely different because they would have four to eight times the number of wells per section. In any event, the purpose of the statute is not to establish perfect equality among operators, but to fairly determine a basis for sharing production that protects correlative rights. There is no basis in case law or statute for this claimed right of “equality” among operators, and it is hard to see how it is unfair to anyone to space as required by the evidence.

D. Prior Orders Relied On By Crescent Are Distinguishable And Do Not Require A Sectional Spacing Order Or Simultaneous Infilling Drilling In This Case.

1. The Board Is Not Bound By Prior Orders And May Make Inconsistent Findings If Required By The Law And Facts As The Board Determines.

It is not arbitrary and capricious for the Board to apply a different rule in this case than it has applied in prior matters if the facts and law support the Board’s ruling. It is well established by prior rulings of this Board that it will diverge from previous decisions when it is persuaded that to do so is consistent with its statutory obligations to apply the law and the

facts of the case before it. However, in the orders cited by Crescent the facts of the prior inconsistent orders justify the different results and those cases and orders do not require the board to follow their precedent.

2. The Orders Are Based On Different Facts And Circumstances And Do Not Support Sectional Spacing In This Matter.

Crescent claims that the Board has on previous occasions established sectional drilling units even though the geologic and technical evidence submitted suggested that up to four wells would be required to adequately recover the resources. Memorandum of Points and Authorities at 10. These orders are each distinguishable in a number of ways. The most significant difference is that the highest number of wells authorized in prior orders is four wells per section, while the current Request asks for 16 wells per section. In addition, these orders are progeny of prior orders: the 140-6 first established 640-acre spacing; and was followed by the 139-8 order changing the well location, and the 139-42 order which allowed two wells per drilling unit, and the 139-84 which modified the order to allow up to four wells. Two of the Orders relied on include spacing for horizontal wells. Although Crescent says they may seek spacing for horizontal wells in the future, they have not done so in this Request. Spacing for horizontal wells, by the nature of the well siting rules, usually assumes sectional spacing. However, as horizontal drilling practices and experience develop in Utah, the type of spacing is also changing so that today spacing is more likely to be limited to just horizontal wells, to specific formations or strata, and may require two sections to be economical. Thus the possible future horizontal spacing may not be consistent with the sectional spacing sought here and is not a valid reason to adopt sectional spacing of vertical wells in this case, although it may have been in prior cases.

The 139-85 order did extend the four well per section spacing order to new and

unspaced lands, however there were no objections asserted and retroactive spacing was not required as there were no existing wells.

The 139-87 order also extended a prior order to unspaced lands on a sectional basis by allowing up to four wells per section, but with the additional provision that the wells could be horizontal or vertical. Allowing horizontal wells changed the nature of the development and justified sectional spacing to accommodate such wells. The order also asked for retroactive spacing, but only as to two horizontal wells (which were proper to be sectional by temporary siting rule) noting that the vertical wells did not require retroactive adjustment “because of uniform leasehold ownership within all of the other sections upon which well are located . . .” 139-87 Order at 14. The production for these two wells was made retroactive upon the representation that such retroactive sharing was required by the BLM and “to avoid interference with existing contractual agreements and prior production proceed allocation practices.” *Id.* In other words, there was no change in the prior agreed distribution as a result of the retroactive spacing. All of the vertical wells were already subject to communitization agreements. *Id.*

The 139-90 order states that the sectional drilling did not affect the rights of the owners of existing wells because: “Although sectional drilling units had not yet been formally established by the Board inclusive of these lands, all of the leases within the respective sections upon which these wells are located have already been voluntarily pooled/communitized on a sectional basis.” 130-90 order at 14. Retroactive spacing was requested for only one of the fourteen wells based on allegations that the BLM required it. That well commenced production just two weeks prior to the hearing and obviously there had been no actual payout. *Id.* at 15. Also this order is required to be a sectional order for the further reason that the request was for horizontal and vertical spacing and the default

horizontal siting rule requires a sectional drilling area for such wells.

II. RETROACTIVE SPACING IS NOT REQUIRED OR APPROPRIATE IN THIS CASE.

A. The Utah Oil And Gas Conservation Act Generally Precludes Retroactive Spacing Except When There Is Inequitable Conduct.

The Division refers the Board to its prior memorandum for argument regarding the application of the Utah Oil, and Gas Conservation Act and the court decisions applying that Act to define correlative rights and the prohibition against retroactive spacing.

B. Federal Regulations Do Not Mandate Retroactive Spacing

Crescent argues that “[i]f the spacing in this Cause for the ten sections is not made retroactive to the date of first production, Crescent Point is placed in an untenable position in trying to effectuate conforming pooling; namely, the Board’s Order will require pooling as of the date of the entry of the spacing order but the BLM/BIA will require the communitization agreement to be effective as of the date of first production.” Memorandum of Points and Authorities at 20. This statement is incorrect.

As Crescent acknowledges in its Memorandum of Points and Authorities, federal regulations state:

Unless otherwise provided in the cooperative agreement, approval of the agreement commits each lease to the unit in the area covered by the agreement on the date approved by the Secretary or the date of first production, whichever is earlier, as long as the agreement is approved before the lease expiration date.

25 CFR § 211.28(f); *accord id.* at § 212.28(f). Crescent draws attention to the “whichever is earlier” language, but ignores the first clause of the regulation—“unless otherwise provided in the cooperative agreement.” While the “whichever is earlier” language is significant, focusing on it to the exclusion of the rest of the regulation does not adequately represent the

meaning of the law. The “unless otherwise provided in the cooperative agreement” clause provides an important foundation to the regulation, contemplating that in making an agreement, it does not always have to date back to the date of first production or date of approval of the agreement. Rather, parties can “otherwise” agree to make an effective date a later than the date of first production. Therefore, it is incorrect to say that the BLM/BIA “require” the communitization agreement to be effective on the earlier of the date of first production or the date of the communitization agreement’s approval.

In fact, the BLM’s Communitization Agreement Manual explains this very scenario.

It states:

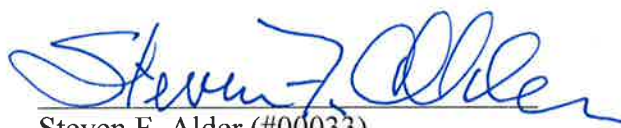
Approved communitization agreements are considered effective from the date of the agreement or from the date of the onset of production from the communitized parcels, whichever is earlier. *An exception to this rule would be when the spacing unit is force pooled by State order after the date of first sales. In this instance, the effective date of the communitization agreement may be the effective date of the order.*

BLM Communitization Manual, 3160-9, .11C3, ¶ D. Approval and Effective Dates of Communitization Agreements (emphasis added). Thus, it is incorrect to purport that there are no exceptions to the “whichever is earlier” language. The BLM and BIA are free to authorize a communitization agreement that dates back to the effective date of a state-issued pooling order.

Therefore, contrary to Crescent’s assertion, it is perfectly tenable for the Board to issue an order in this case that does not date back to the date of first production, and for the federal government to approve it. The Board would simply issue a spacing order whose effective date is past the date of first production. The Board would choose a date that was “just and reasonable” in light of all the circumstances. The Board has complete authority to do so, since it has “authority to regulate . . . the spacing and location of wells.” Utah Code §

20-6-5(3)(b). The consequence of such a spacing order would be to establish spacing units with an effective date that could not be pre-dated by a subsequent pooling order. *See Cowling*. As provided in the quoted language above, this would not prohibit the federal government from authorizing a communitization agreement, although it would limit the effective date of the agreement. Rather, the federal government could “otherwise provide[] in the cooperative agreement” that the communitization agreement would date back only to the date of the pooling order (which, consequently, would be the same date as the effective date of the spacing order), not the date of first production. Such an arrangement falls perfectly in line with 25 CFR §§ 211.28(f) and 212.28(f), as well as the BLM Communitization Agreement Manual.

SUBMITTED this 17th day of January, 2014.

A handwritten signature in blue ink, appearing to read "Steven F. Alder".

Steven F. Alder (#00033)
Kassidy J. Wallin (#14360)
Assistant Utah Attorneys General
Utah Division of Oil, Gas and Mining



MEMORANDUM

FILED

NOV 20 2013

SECRETARY, BOARD OF
OIL, GAS & MINING

November 19, 2013

To: Utah Board of Oil Gas and Mining

From: Steve Alder,
Assistant Attorney General



Re: December 4, 2013 Board Hearing Memorandum
In the Matter of Crescent Point Energy U.S. Corp., Docket No. 2013-034, Cause
No. 131-136

I. Introduction

Crescent Point Energy U.S. Corp., (Crescent) wishes to establish 640-acre drilling units, for the subject lands and simultaneously is requesting an order that the consent requirement of directional drilling rule R649-3-11(1.1) not apply.¹ In this regard, this matter is similar to the *Axia Energy LLC's Docket No. 2013-030, Cause No. 270-02* and the *Newfield Production Co., Docket No. 2013-027, Cause No. 139-109* which were heard at the October 23, 2013 Board Hearing. In addition, Crescent is asking that the order allow drilling of up to 16 in-fill wells, that the existing forty-two wells be approved as legally acceptable locations, and that the drilling units to be approved apply retroactively to these forty two well as of the respective dates of first production.

II. Analysis and Discussion

A. Request to deem the consent requirement of the directional drilling rule (and of the exception location rule) inapplicable.

It is not clear to what extent Crescent seeks an exception to the directional drilling rule. The RAA sets forth in its preamble that the "Board expressly order the requirements of Utah Admin. Code Rule R649-3-11(1.1) be deemed inapplicable to any well directionally drilled upon said drilling units *within the allowed set backs requested herein.*" RAA 2-3, emphasis supplied. However, in the prayer for relief, paragraph 3.(d), the RAA asks for an order: "Expressly declaring Utah Admin. Code Rule R649-3-11(1.1) is inapplicable to any directionally drilled well within the said drilling units *as long as the productive intervals* are within the setbacks as outlined in Paragraph (b) above, and with the caveat that, if any uphole completion closer that the set back is subsequently proposed, an exception location approval . . . will be required." (RAA 11, emphasis supplied)

¹ The Board may wish to refer to the Division's October 21, 2013 Memorandum regarding well location and siting rules which is attached for the Board's convenience.

If the request were that the directional drilling rule be ordered inapplicable to directionally drilled wells, *so long as they are drilled within the setbacks* established for the unit, a Board order would still be necessary according to the language of the rule. The ownership may not be uniform and absent an order that the rule is inapplicable, the owners within 460 feet of the well path would still be required to consent to the well or a Board order would be necessary. In such an instance, all correlative rights are protected if the rule is deemed inapplicable since production will be shared by all owners in the unit. It makes sense to waive the rule for such wells regardless of the notice to adjacent owners.

It is assumed that the language in the prayer is the intended relief: that is, that the request is to waive the rule as to all wells *so long as the productive interval* is within the set backs. This makes a significant difference, because then there is the potential (and it is a reasonable assumption) that a directionally drilled well may be commenced from a surface location that is closer than 460 feet from the drilling unit boundary and whose well bore will be less than 460 feet from the boundary prior to its entry into the spaced interval. In such a case, the owners who are required to consent will include owners of mineral interests located outside of the drilling unit. These owners will not share in production. The only means for these owners to avoid what they may find to be adverse consequence of such a well location is to withhold their consent and object when the Board is asked to approve the location, or to drill an off-setting well.

Because the adjoining owners may have reason to object to the portion of the spacing RAA that asks the Board to waive the provision requiring consent for directionally drilled wells, there is a question as to whether such owners should be given notice of the spacing hearing before the Board can consider such a request. There is also a question as to whether such a notice, if given, would be sufficient prior to knowing where such a well may be proposed.

As was argued in the October 21, 2013 Memorandum, neither the directional drilling nor the exception location rules limit their application to *portions of wells within the spaced or productive interval*. Thus the Board must decide if it should make an exception to the requirements that would otherwise apply. The Board does have authority to waive the rules by virtue of its rules (Utah Admin. Code Rule R649-2-1(2) and (3)(2013)), and its statutory authority to establish well locations (Utah code 40-6-6(5)(d)(2013)). However, such authority to deviate from the general rules is limited by the Board's statutory jurisdiction and delegated powers. There are two major considerations that could limit the Board's authority to deem a general rule inapplicable: (1) the requirement to protect correlative rights while seeking a greater ultimate recovery; *see* Utah Code 40-6-1(2013); *Cowling v. Board of Oil, Gas, and Mining*, 830P.2d 220 (1991); and *Adkins v. Board of Oil, Gas and Mining*, 926 P.2d 880 (1996); and (2) the duty to regulate oil and gas production in compliance with the notice and due process required by the Utah Administrative Procedures Act (Utah Code §§ 63G-4-101 to 601); *see* Utah code § 40-6-10 (1)(a) (2013), Utah Admin. Code Rule R641-100-500; and *Hegarty v. Board of Oil, Gas and Mining*, 57 P.3d 1042 (2002).

1. Protection of correlative rights of the adjacent owner.

Is the owner of minerals within 460 feet of a well location, who is otherwise required to give written consent to the drilling of a directional well, entitled to notice of a Board hearing where that right to written consent may be withdrawn? Petitioners argue that notice is not required since correlative rights are protected because the proposed order restricts this waiver to wells that will only produce from a spaced interval at a distance of more than 460 feet of the adjoining owner's lands. However, as was discussed in the October 21, 2013 Memorandum, the correlative rights protected by the Act is not just a right to the oil and gas beneath ones property. In fact part of the basis for this statement is due to the fact that what occurs beneath the ground within formations many thousands of feet below the surface may not be certain and depends on many technical factors that the Conservation Act seeks to address but in an imperfect and impercise way. Thus correlative rights are defined as an 'opportunity' to produce a 'just and equitable' share of oil and gas 'without waste'. *Hegerty v. Board of Oil, Gas and Mining*, 57 P.3d 1042, at 1050 (2002) emphasis supplied. This "opportunity" is protected by "authorizing the board to limit a land owners right to drill as many wells and in whatever locations on its land as the landowner chooses" *Cowling* at 225. "Once the Board fixes the size of the drilling units in a field 'the drilling of any well into the pool at a location other than authorized by the order is prohibited.' Utah Code § 40-6-6(4)". *Id.*

Thus, the existing the statutory scheme *and rules* have been established to protect the opportunity to develop and produce oil and gas (correlative rights) and are arguably an integral part of an owner's correlative rights. It follows that any modification in the rights that may affect the opportunity to produce a just and equitable share of the oil and gas without waste would affect a person's correlative rights. The right to notice and the right to consent or object to an adjoining well is arguably protective of this opportunity. Therefore, correlative rights are affected by deciding the rule is inapplicable. Notice is required to protect the owner's opportunity to produce a just and equitable share of oil and gas.

2. Requirements of the Utah Administrative Procedures Act and protection of rights of Due Process.

Does the administrative law require that an adjoining owner have a right to notice and participation in the spacing hearing where the requirement for consent may be determined to be inapplicable? If the right to consent is a right established by state agency action (even if it is determined not to be part of the person's correlative rights), then any suspension of that right is governed by the Utah Administrative Procedures Act (UAPA) and the person is entitled to notice and an opportunity for a hearing. UAPA applies to "state agency action that determines the legal rights, duties, privileges, immunities, or other legal interests of an identifiable person, including agency action to grant, deny, revoke, suspend, modify annul, withdraw, or amend an authority, right or license; and judicial review of the action. *See* Utah Code §63G-4-102(1)(a) and (2). Here the identifiable persons are those who own mineral within 460 feet of the well bore and the right being suspended is the right to consent to a well that is drilled directionally

within 460 feet or have a hearing. The state agency action is the suspension of that right by the Board as requested by Crescent.

3. Prior Orders.

In the Axia matter heard just last month, the Board denied a similar the request for waiver of the consent requirement for directional drilling for wells that would be located closer that the requested set back because the adjoining owners had not been given notice of the spacing hearing requesting the waiver. This case, although just heard establishes prior precedent, and the Board's order in this matter should be consistent with that decision for the same reasons.

B. Simultaneous Spacing and In-fill well approval.

This matter raises an additional issue that was not addressed in either the prior *Newfield* or *Axia* matters. The RAA seeks spacing on a 640-acre basis and simultaneously asks for infill drilling of up to 16 wells per section; a 40-acre equivalent. Small portions of these unspaced lands have been extensively developed under the general well siting rule allowing one well per 40-acre quarter-quarter section with forty-two (42) existing wells having been drilled.

The Board may apply an order establishing drilling units to additional unspaced lands upon evidence that the lands also overlay the same pool. (Utah Code § 40-6-6(6)(b)) In this case Crescent argues that the lands should be included in the 131-14 and 131-24 Orders that established a 640-acre drilling unit for adjoining lands because they overlay the same pool or common source of supply. Crescent also asks that it be allowed to infill with up to 16 wells per section or a 40-acre equivalent density. When lands have been spaced, the Board may (based upon proper evidence) allow for drilling of additional wells within the drilling unit. Utah Code § 40-6-6(6)(d) Production from the wells would continue to be shared on a section-wide basis.

In this matter, these lands have not been spaced and have been developed and are producing from wells located according to the 40-acre general siting rule. The production from each well has not been shared nor has the risk of drilling a well. The evidence submitted with the RAA suggests that one well can effectively and efficiently drain 40 acres but Crescent also argues that the size of areas drained by one well is not consistent throughout a section, and that sharing production based on a larger drilling unit size is necessary to economically develop the pool. Crescent has the burden of demonstrating why 640 acres and not 40 acres, or 160-acres would be an appropriate size for drilling units in this area.

While it is not unusual to allow infill drilling for already spaced areas, the simultaneous spacing and infill drilling requested by Crescent is unusual. It is also unusual due to the large difference between the requested size of the drilling unit and the equivalent spacing density that would result from infill drilling. Occasionally orders allowing for spacing with more than one well for a drilling unit is justified due to

physical constraints of topography or odd-sized sections as in the *Axia* matter decided in October, 2013. These situations may justify more than one well per drilling unit. Orders approving horizontal drilling units have also allowed for simultaneous approval of substantial numbers of additional wells, but this has usually been done on a pilot project basis with the understanding that the initial drilling will establish a more accurate spacing based on actual drainage area for one well. It has also been the pattern due to the fact that the general siting rule for horizontal wells is one section, even though more than one horizontal well is assumed to be necessary for such a temporary section-wide location.

The major argument in favor of the requested drilling unit, is the need to establish drilling units to establish a federal communitization agreement (CA) for the Indian minerals. The primary objection to such a simultaneous spacing and downsizing is the effect on the other owners in the lands to be spaced. As of the date of this memorandum no objections have been filed. Assuming there is no objection from land owners and that they either desire or are required to have a section wide spacing, this objection is not as important although the spacing does seem contrary to the statute and protection of individual owners correlative rights. As argued below there are advantages to having a drilling unit that more accurately reflects the engineering data and is less than a full section. If a smaller drilling unit satisfies the requirement for a CA, then it is a better result for other reasons including avoiding conflict over retroactive application of the spacing order.

3. Retroactive spacing.

Crescent also asks that the drilling unit order apply retroactively to the date of first production for existing wells within the spaced lands. This retroactive application is also alleged to be required by the federal rules governing communitization agreements. A communitization agreement (CA) is similar to pooling, and the Utah Court has held that retroactive pooling prior to the date of a spacing order is illegal absent evidence of inequitable conduct. The Court held: “a pooling order should be effective no earlier than the *date of a spacing order*, unless there are special circumstances that would make it just and equitable for an order to be retroactive to protect correlative rights . . . from inequitable or overreaching conduct.” *Cowling v. Board of Oil, Gas, and Mining*, 830 P.2d 220, 229 (emphasis supplied). This language does not support using an effective date earlier than the date of the spacing order.

While it is true the RAA seeks retroactive *spacing* and *not retroactive pooling*, the purpose; i.e., to accommodate a CA is the same, and furthermore, the reasoning and rationale for the decision in *Cowling* apply equally to retroactive spacing. The legal doctrine that is the foundation for the rule against retroactive pooling is the concept that correlative rights do not exist until the Board makes a determination of the size of a drilling unit “based on geologic and engineering evidence” presented at a hearing. As the Court said: “In short, under the Act, it is not possible to ascertain a landowners’ correlative rights until the Board acquires the necessary data in a formal hearing, makes findings of fact, and enters a spacing and drilling unit order.” *Cowling* at 226 The Court further stated: “Although a pooling order theoretically could be made retroactive to the

date of first production from an exploratory or wildcat well, even though that date is prior to the entry of a spacing order, *the Act* does not contemplate that result. Retroactivity of a pooling order under these circumstances would give adjoining interest owners correlative rights before those rights are defineable.” *Cowling* at 227, emphasis added.

As the court notes: “an owner’s failure to take action to establish and protect his or her interest in production prior to the entry of a spacing order constitutes a waiver of that interest until a drilling unit is established.” The *Cowling* case does not merely suggest that the prohibition against retroactive pooling is a matter of procedure, that can be overcome by retroactive spacing. Rather, retroactive pooling is contrary to the Act, since the Act requires an evidentiary hearing before correlative rights are established and prior to that date (absent inequitable conduct) the rule of capture applies. Since the decision states that there must be some inequitable conduct on the part of the unspaced owner in order to apply pooling retroactively against him, it follows that there must also be some equitable reason to apply spacing retroactive to the date of first production. In the matter before the board there is no inequitable conduct that would justify retroactive pooling. Therefore these owners should also not be subject to retroactive spacing that will lead to pooling by way of the CA.

Making spacing retroactive to the date of first production will be difficult to administer and could create hardships for those owners who took the risk to drill the wells. Owners of such wells would not receive any additional compensation or reward for their risk and expenditure of capital to drill wells. It is not clear from the request how the prior production will be accounted and repaid. Presumably those who have drilled a producing well on a 40-acre location will be required to payback an amount representing the portion of production received that will now be attributable to the other owners in the section. Perhaps they will be allowed to deduct that excess amount before receiving any payment from any additional wells to be drilled in the section. Unless production from the existing well is less than the average well production for the section such an owner would receive nothing, and may need to payout money from past production as a result of the retroactive spacing. There could be an obligation to pay interest on the over production received. This result flies in the face of their expectations when the wells were drilled. Absent retroactive application of a spacing order, those owners who have drilled prior to the entry of the order would not need to share their past production. see *Adkins v. Board of Oil, Gas, and Mining*. 926 P.2d 880 (1996).

Whether the federal law requires that the Board waive compliance with the Act’s prohibition against retroactive pooling and spacing is not a question that needs to be addressed² since applying 40 acres spacing avoids the problem. Forty acre or perhaps 160-acre drilling units rather than 640 acre units would eliminate or lessen the instances that may require retroactive spacing to comply with the federal rules, and would more correctly conform the drilling unit to the evidence of size of “the acreage that wells in the field can efficiently drain so as to maximize production.” *Cowling* at 227

² Crescent has the burden of demonstrating that there is a federal preemption. They have not presented any argument to that effect. If Crescent does make this argument, the Division asks leave to reply.

CONCLUSION

The Board should limit the request that the directional drilling (and exception location) rules be deemed inapplicable to all wells so long as they are completed in the spaced interval, to wells whose surface location is within the exterior set backs for spaced lands. The Board should not deem the rules inapplicable to locations that are closer than 460 feet of the exterior boundaries of the space lands since these owners have not been given notice of the request for waiver of the rule and are entitled to notice by virtue of the Act's obligation to protect correlative right or the UAPA requirements for notice and opportunity for a hearing when a right is waived.

The Board should also establish a drilling unit size for these unspaced lands that corresponds to the evidence of drainage as required by the Act. There is not a good reason to establish 640 acre sectional drilling units and it is contrary to the general requirements a drilling unit as set out in the Act. Orders that originally spaced land in this area on a sectional basis have been modified to allow greater density. The evidence filed with the RAA suggests that 40 acre spacing (the well density requested) or perhaps 160 acre spacing may be appropriate. Existing wells have been drilled under the 40 acre siting rule. Using smaller drilling units also avoids problems of retroactive pooling and accounting for production from the existing wells.

Although no owners have objected to application of the spacing order retroactive to the date of first production for existing wells, there is a serious question as to whether the Act as interpreted by the Utah court allows the Board to grant such a request. The intent is to form a CA that will effectively be similar to pooling of these lands and that result was rejected by *Cowling*. Perhaps federal law will preempt application of the Utah law.

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing **MOTION MEMORADUM** for Docket No. 2013-034, Cause No. 131-136 to be mailed by Email or via First Class Mail with postage prepaid, this 22nd day of January, 2014, to the following:

MacDonald & Miller
Mineral Legal Services, PLLC
Attorneys for Petitioner Crescent Point Energy U.S. Corp.
Frederick M. MacDonald, Esq.
7090 S. Union Park Avenue, Suite 420
Salt Lake City, UT 84047

Crescent Point Energy U.S. Corp.
Attention: Ryan Waller, Landman
555 17th Street, Suite 1800
Denver, CO 80202

Michael S. Johnson
Assistant Attorney General
Utah Board of Oil, Gas & Mining
1594 West North Temple, Suite 300
Salt Lake City, UT 84116
[Via Email]

Steven F. Alder
Assistant Attorneys General
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 300
Salt Lake City, UT 84116
[Via Email]

Chalise Sargent Abelhouzen
1246 West 300 North
Saint George, UT 84770

Annette Abercrombie
Rt. 2 Box 2302
Roosevelt, UT 84066

United States of America
Bureau of Indian Affairs
Uintah and Ouray Agency (for the Ute Indian Tribe and Allotment Nos. 11, 12, 41, 43, 47, 71, 134, 154, 414, 559 and 687)
P.O. Box 130
Fort Duchesne, UT 84026

David W. Allington
P.O. Box 375
Sydney, NE 69162

Margee Allan
373 N. 400 E.
Springville, UT 84663-1457

A-M, Inc.
7350 Island Queen Drive
Sparks, NV 89436

Thomas B. Allington
1825 North Pennsylvania Street
Indianapolis, IN 46202
[Address updated 11/06/2013]

Kay E. Anderson
683 West 925 South
Orem, UT 84058

Anchor Resources, Inc.
Attn: Gundy B. Hays
2139 Cumberland Drive
Salt Lake City, UT 84124

Argo Energy Partners Ltd.
P.O. Box 1808
Corsicana, TX 75151

Lili Marlaene Ashwood
3080 South Richmond Street, Apt #303
Salt Lake City, UT 84106

Marilyn Baker
3978 East 480 North
Rigby, ID 83442

Mary H. Baldwin
526 East 350 South
Lehi, UT 84043

Colleen H. Barton
104 Pelican Circle
Oriental, NC 28571

Brent Bastian
2467 South 1500 East
Ballard, UT 84066

Theda H. Batty
2615 East 2500 South
Vernal, UT 84078

Lyle Baxter
12004 N.W. 36th Ave.
Vancouver, WA 98685

Anita Ashby
c/o Kenny Ashby
1 Northridge Way
Sandy, UT 84092

Paul L. Atwood
6814 South 1300 East, Apt. 18
Salt Lake City, UT 84121

Ruby Jane & Ray W. Baker
846 Sanders Drive
Hamilton, OH 45013-1431
[Address updated 11/06/2013]

Nicole Massey Bancroft
30 N. 1100 W.
Vernal, UT 84078

David J. Barton
2915 Coventry Lane
Greenwood, IN 46143

Larry Batchelor
c/o Deborah Chapman
10207 218th Avenue Court East
Bonney Lake, WA 98391

Vivian Baumgarner
701 West Avenue I
Kingsville, TX 78363

Roger Baxter
6207 N.W. McKinley
Vancouver, WA 98665
[Undeliverable]

Sharron J. & Grover C. Bethards
12315 Mundy Lane
Lodi, CA 95240

Helen Baxter Bergeson
P.O. Box 708762
Sandy, UT 84070
[Undeliverable]

Bigelow Utah Limited Liability Company
4640 South Eastern
Las Vegas, NV 89119

Lana Bitton
5154 Heather Lane
Park City, UT 84098

Black Stone Minerals Company, L.P.
1001 Fannin, Suite 2020
Houston, TX 77002-6709

Susan Bourgeois
1191 West I-10 Frontage Road
Schulenburg, TX 78956

Patricia P. Brimley
2072 East Rainbow Pointe Drive
Salt Lake City, UT 84124
[Undeliverable]

Hazel R. Brough Life Estate
380 Cobble Hollow Dr
Roosevelt, UT 84066
[Address updated 11/22/2013]

Beverly Brough, deceased
c/o Marilyn M. Veasart
1036 Elm Way
Rock Springs, WY 82901
[Address updated 11/06/2013]

David B. & Susan Brough
5346 Woodstep Ave.
West Valley City, UT 84120

Brent Birchell
940 West 1100 South
Vernal, UT 84078

Blackmon Family Mineral Trust
P.O. Box 8072
Horseshoe Bay, TX 78657

Lana Bonnet
815 2nd Avenue West
Williston, ND 58801

Elaine C. Bowen
356 S 300 East
Roosevelt, UT 84066

Brigham Krause and Vera Krause Heirs Trust
300 East 4500 South
Salt Lake City, UT 84107

Donnell G. Brokaw
4220 South 1000 West
Roosevelt, UT 84066

Brough Family Property Trust
Gilbert L. Brough
2644 North 500 East
Vernal, UT 84078-9532

Blaine R. Brough
822 West Lagoon St.
Roosevelt, UT 84066
[Undeliverable]

Dean L. Brough
822 West Lagoon St.
Roosevelt, UT 84066
[Undeliverable]

Don Brough
7729 South Caballero
Salt Lake City, UT 84093

Linda Brough
1430 Palisades Way
Rock Springs, WY 82901
[Address updated 11/04/2013]

Rick Brough
2325 Sidewinder Dr.
P.O. Box 680554
Park City, UT 84068

Priscilla Brown
23552 Villena
Mission Viejo, CA 92692

Maree L. Burkman
P.O. Box 87
Huntsville, UT 84317

James H. Burwell, Jr.
Box 549
Rutherfordton, NC 28139

Roberta Marie Lucero Cabututan
144 Dale Avenue
Vernal, UT 84078

Carl V. Larson & Margaret V. Larson
Family Trust
Carl V. Larson, Trustee
623 South 1700 East
Spanish Fork, UT 84660

Chalfant, Inc.
P.O. Box 3123
Midland, TX 79702

Douglas R. Brough
405 Lewis Street
Rock Springs, WY 82901
[Address updated 11/06/2013]

Edward A. Brough
736 5th Ave. West #20
Rock Springs, WY 82901

Richard M. Brough
822 West Lagoon St.
Roosevelt, UT 84066
[Undeliverable]

Lautha Ree Brown
217 East Schimmer
St. Louis, MO 63111

Shirley H. Brown
9 Brookside Way
Missoula, MT 59802

John W. Burwell, Jr.
5510 Sharon Rd.
Charlotte, NC 28210

Juanita E. Butcher
6632 Daniel Way
Murray, UT 84123

Rahnena M. Caldwell
3070 West 500 South
Vernal, UT 84078

Harry E. Carleson, Jr.
6545 Canyon Ranch Road
Salt Lake City, UT 84121
[Undeliverable]

Mark A. Chapman
P.O. Box 450
Sealy, TX 79109

Ruben Chavez,
P.O. Box 1514
Kirtland, NM 87417
[Undeliverable]

Darlene E. Christensen
333 S. 1160 W.
Orem, UT 84058

Ray W. Christmas
P.O. Box 386
Castle Dale, UT 84513

Julie Clark
12845 Center Rd
Stormsburg, NE 68666-5002
[Address updated 1/9/2013]

Melvin D. Close, Jr.
2124 Redbird
Las Vegas, NV 89134

Wayne & Norma Close LLC
201 W. 1400 South
Orem, UT 84058

Colonial Royalties Limited Partnership
320 S. Boston, Suite 1108
Tulsa, OK 74103
[Undeliverable]

Billy F. Cook
2260 South 5000 East
Vernal, UT 84078

Chaparral Royalty
P.O. Box 66687
Houston, TX 77266

Brandon Chavez, et al
P.O. Box 1388
Shiprock, NM 87420

Jess C. Cheney
7923 Danish Ridge Way
Salt Lake City, UT 84121-5772

Julia Baxter Christensen
c/o Helen M. Baxter
350 North 150 West
Logan, UT 84321
[Undeliverable]

Jeanine Dean Clark
12511 Harvest Ave.
Riverton, UT 84065

Clive Sprouse Family Revocable Trust
c/o Clive Sprouse, Trustee
P.O. Box 150559
East Ely, NV 89315
[Undeliverable]

Jack D. Close
3777 Pecos – McLeod, Suite #102
Las Vegas, NV 89121-4264

Patricia Close
3734 Mount Crest Dr.
Las Vegas, NV 89121

Colton Properties, Ltd.
1581 Keswick Road
Sandy, UT 84093

David R. Cook
2730 South 500 East
Vernal, UT 84078

Max B. Cook
2483 South 1500 East
Ballard, UT 84066

Covey Minerals, Inc.
2733 East Parleys Way, Ste. 3
Salt Lake City, UT 84109

Dan Eugene Cunningham
816 South 6th Street
Lander, WY 82520
[Undeliverable]

James Leslie Cunningham
17011 Village Wood Lane
Spring, TX 77379

Robert J. Cunningham
757 Maclean Ave.
Kenilworth, IL 60043

Donna K. Davies
161 East 750 North
Bountiful, UT 84010

James F. Deal
304 Reservoir Road
Beckley, WV 25801

Ella Mary Dean
164 North 340 West
Payson, UT 84651

Deep Creek Investments
2400 Sunnyside Ave
Salt Lake City, UT 84108

Tom Connolly
950 Spruce Street, Suite 1C
Louisville, CO 80027

Danny L. Cook
4228 South Vernal Avenue
Vernal, UT 84078

George H. & Shannan R. Cook
HC 66 Box 231
Roosevelt, UT 84066

Myra Cook
356 West 280 North
Providence, UT 84332

Judy C. Cornia
4273 Dartford Ct.
Casper, WY 82609

Jacquelyn Cox
8649 Blue Heron Dr.
Terrell, NC 28682

Croff Oil Company
16 Waterway Ct
The Woodlands, TX 77380-2641
[Address updated 11/22/2013]

Donald Arthur Cunningham
13315 High Star Drive
Houston, TX 77083

Lynn Farris Cunningham
4350 East Lincoln Way, Apt 209
Cheyenne, WY 82001

Dale A. Meagher Trust
P.O. Box 122
Vernal, UT 84078

Dillman Family, LLC
2180 Fort Union Blvd
Salt Lake City, UT 84121

William F. Disselhorst
6817 West Highland Ave
Chicago, IL 60631

Laura Lane Wood Drammer
2845 San Marcos
Los Olivos, CA 93441

Janet B. Dunn
562 Buteo Ridge
Pittsboro, NC 27312

Alan Ray Eggleston
745 Northstar
St. George, UT 84770

Gayla Ann Ekness
822 West Lagoon St.
Roosevelt, UT 84066
[Undeliverable]

Ella M. Dean Trust
c/o Dora W. Edvalson
164 North 340 West
Payson, UT 84651
[Address updated 11/06/2013]

Cindy Elliott Price
420 South Main
Central Valley, UT 84754

Alma Ronald Elliott
1128 South HWY 89 #47
Fruit Heights, UT 84037

DCP Investments, L.L.C.
1365 Ambassador Way
Salt Lake City, UT 84108

Elizabeth Jayne Dean
c/o Jeanine Dean
12511 Harvest Ave.
Riverton, UT 84065

Harry Allen Dean
748 S. Joe Martinez Ct.
Pueblo West, CO 81007

Julie Massey Deppe
P.O. Box 790395
Vernal, UT 84079

Pat Disselhorst
5301 Keeney
Skokie, IL 60076

Donald E. Hicken Family Trust
c/o Donald E. Hicken
692 E. 300 N.
Roosevelt, UT 84066

Mason Anthony Duncan
P.O. Box 361
Neola, UT 84053

Susan Eggleston Spiers Rose
Box 72
Pleasant Hope, MO 65725

Darlene Eggleston
377 West Center St.
Springville, UT 84663

Anna Ellis
1658 Binford Street
Ogden, UT 84401
[Address updated 11/06/2013]

Emerald Phoenix Oil Co., LLC
111 E. Lincoln Rd., Suite 4
Spokane, WA 99208

Pamela Moss Erickson
3535 Farrington Court
West Jordan, UT 84084

Eugenia B. Pickup Family Living Trust
Grant G. Pickup
1655 Fieldcrest Lane
Salt Lake City, UT 84117
[Undeliverable]

Barbara J. Faver
1904 Pawnee Drive
Yukon, OK 73099

Federal Land Bank of Sacramento
P.O. Box 13106-C
Sacramento, CA 94813
[Undeliverable]

Theodore M. Fergeson
400 West Illinois Ave., #970
Midland, TX 79701

Edith Fleck
7715 SW Stewart St
Portland, OR 97223-9353
[Address updated 11/22/2013]

Stephanie Fleck
(no address disclosed by records)

Mary Celeste Einert & Richard W. Celeste
189 E. Madison St.
Elmhurst, IL 60126
[Undeliverable]

Eliason Eight, L.L.C.
4349 Lynne Lane
Salt Lake City, UT 84124

Laurie Elliot Broderick
580 North 100 East
Centerville, UT 84014

Vickie Elliott Smith
890 East 250 North
Bountiful, UT 84010

Scott Elliott
3588 West 7550 South
Spanish Fork, UT 84660

Elvin and Marlene Kettle Trust
RR 2 Box 2306
1382 South 1500 East
Roosevelt, UT 84066

EP Energy E&P Company, L.P.
Attn: Altamont BU Manager
P.O. Box 4660
Houston, TX 77210-4600

Erna Estella Murray Trust
Jeremiah M. Murray, Trustee
P.O. Box 163
Heber City, UT 84032

Kathleen Hogan Farr
9026 South 5600 West
Payson, UT 84651

Doyle W. Foster
109 North 200 West 71-9
Roosevelt, UT 84066

Harrison Perry Fowles
Route 3 Box 3330
Myton, UT 84052
[Undeliverable]

Mary Ellen Gardner
1160 E. Telegraph St., #30
Washington, UT 84780-1870

Donald Bruce Gavitte
2360 Lancaster
Baldwin, NY 11510

Georger E. Houston Testamentary Trust
Louise Marie H. Iorg, Trustee
P.O. Box 1807
Roosevelt, UT 84066
[Undeliverable]

Lawrence Giannini
10123 Windfield Drive
Munster, IN 46321

Gladys W. Christmas Family Trust
Bernice C. Drage, Trustee
338 South 1400 East
Spanish Fork, UT 84660

Geraldine Glenn
2183 Quail Court
Grand Junction, CO 81507

Brenda Lee Goodrich
Rt. 3 Box 3263
Myton, UT 84052

Fawn B. Coltharp Family Living Trust
c/o Frances C. Loos, Trustee
2142 Eastwood
Ogden, UT 84403-5359

Federal National Mortgage Association
P.O. Box 650043
Dallas, TX 75265-0043

Alice E. Ferron
2808 Village Parks Drive
Grand Junction, CO 81506
[Undeliverable]

Melissa N. Fleck
12085 SW 135th Ave Apt 55
Portland, OR 97223-1617
[Address updated 11/22/2013]

Jeanette Spitler Flynn
301 Prospector Way
Ball Ground, GA 30107

Eric M. Fowles
3543 Cochise Drive
West Valley City, UT 84120-3327

Lela M. & J.H. Fowles
Route 3 Box 3330
Myton, UT 84052
[Undeliverable]

Garth G. Myers Trust No. R-100
c/o Garth G. Myers
1982 Browning Ave.
Salt Lake City, UT 84108

Peter Franklin Gavitte
4116 McKinnon Rd.
Napa, CA 94559

Benetta Gossett
34765 Cedar Ave.
Yucalpa, CA 92399

Grant Erik Gottschall
5836 Lake Indero Dr.
Agoura Hills, CA 91301
[Address updated 11/06/2013]

Cary A. Gray
7350 Oakwood Avenue
Hesperia, CA 92345

April Dawn Griffith
2319 Himebaugh Ave
Omaha, NE 68110
[Address updated 11/22/2013]

Gayla Griswald
815 2nd Avenue West
Williston, ND 58801

Richard D. & Akiko Hackford
4215 Brantley Rd.
Carlsbad, NM 88220
[Undeliverable]

H. Craig and Robyn Hall
11607 Roselawn Way
South Jordan, UT 84095

Steven W. & Marcia G. Hamberg
HC 69 Box 129
Randlett, UT 84063

Hansen Oil Properties LP
P.O. Box 291275
Kerrville, TX 78029

George Marion Calder Trust
George Marion Calder, Trustee
116 West 500 North
Vernal, UT 84078

Michael Giannini
5409 Fire Pink Way
Raleigh, NC 27613

Glen L. Sorenson and Lurrine Sorenson Family
Legacy Trust
P.O. Box 1809
Roosevelt, UT 84066-1809
[Undeliverable]

Nancy Elizabeth Gonzalez
RR 3 Box 3102A
Roosevelt, UT 84066
[Address updated 11/22/2013]

Goosneck Inc.
1589 N. 1200 E.
Heber City, UT 84032

Heirs of Delpha Gayle Moss Gottschall
1362 Bora Bora Dr.
West Jordan, UT 84084

Mark Scott Gottschall
1362 W. Bora Bora Drive
West Jordan, UT 84084

Grant G. Pickup Family Living Trust 1982
Shirley B. Neilson, Trustee
1655 Fieldcrest Lane
Salt Lake City, UT 84117

Laurita C. Gray
15625 Wet Hill Rd.
Nevada City, CA 95959

Douglas Harmston
1940 East 5625 South
So. Ogden, UT 84403
[Undeliverable]

Dalen Harris
4765 West Wasatch Dr.
Highland, UT 84003

Robert L. Harris
7245 Buttermilk
Driggs, ID 83422
[Undeliverable]

Houston P. Hemingway
P.O. Box 32
San Acacia, NM 87831

David John Hermes
3390 West Monmouth Ave.
Englewood, CO 80110

Elizabeth Hermes-Dickenson
3390 West Monmouth Ave.
Englewood, CO 80110

Michael Highsmith
123 Sequoyah
Buda, TX 78610

Michelle Hogan Anderson
6986 South 4000 West
Spanish Fork, UT 84660

Mark Elliott Hogan
12567 South 5200 West
Payson, UT 84651

Benton J. Grissom
450 Pasture Drive
Carson City, NV 89701-7686

Marilyn G. Guhl
721 Sirstad St.
Sitka, AK 99835-7231

Hall Family Living Trust
20 North Mountain Road
Fruit Heights, UT 84037

Michael Moss Hall
19316 Circle Gate Drive, #202
Germantown, MD 20874
[Undeliverable]

Michael D. Hancock
1385 Riviera Drive, #431-8
Roosevelt, UT 84066

Lois Clarene Hansen
1826 North Jericho Way
Meridian, ID 83642

James D. Harmston
264 North 300 East
Manti, UT 84642
[Undeliverable]

Earlene M. Harris
c/o Carter Harris
2207 E. Beverly Place
Milwaukee, WI 53211
[Undeliverable]

Head Properties LLC
3801 LaVar Drive
Salt Lake City, UT 84109

Diane Horton
1502 Meadow Trail
Franktown, CO 80116

Houston Family Trust
Gary R. Houston, Trustee
570 North 500 West
Orem, UT 84057

Howard Rex Carroll Trust
Howard Rex Carroll, Trustee
1030 South 850 West
Vernal, UT 84078

Cal Huber
P.O. Box 55
Lapoint, UT 84039

Kenneth Huber
P.O. Box 56
Lapoint, UT 84039

Ray Huber
1690 North 3500 West
Vernal, UT 84078-9736

Pauline Hullinger
135 Oglsby Bridge Rd. SE
Conyers, GA 30094
[Address updated 11/06/2013]

Tina Hymas
481 Countryside Ave.
Rexburg, ID 83440

International Petroleum LLC
4834 S. Highland Drive, #200
Salt Lake City, UT 84117

Danny K. & Carol J. Iorg
P.O. Box 66
Ft. Duchesne, UT 84026

Charles Hermes
3390 West Monmouth Ave.
Englewood, CO 80110

Hazel Hermes
3390 West Monmouth Ave.
Englewood, CO 80110

Paule S. Hewlett
1736 Nicholson St.
Houston, TX 77008

Sherry L. Highsmith
P.O. Box 84
Lostant, IL 61334
[Undeliverable]

Corinne Hogan Muhlestein
13215 South 2420 West
Riverton, UT 84065

Robert Kent Hogan
2210 Country Club Drive
Salt Lake City, UT 84109

Houston Family LLC
RaNae Ashton, Trustee
1045 East 470 North, #A3
Lehi, UT 84043

Margie Houston
Rural Route 1 P.O. Box 1186
Roosevelt, UT 84066

Sandra L. Howard
P.O. Box 1953
Kenai, AK 99611

Glenn J. Huber
P.O. Box 154
Lapoint, UT 84039

Raymond Verl Iorg
4430 West 3240 South
West Valley City, UT 84120

J. Hiram Moore, LTD
1204 W 7th St Ste 200
Fort Worth, TX 76102
[Address updated 11/22/2013]

Lydia T. Gibson James
503 Rocky Mouth Lane
Draper, UT 84020

Elizabeth F. Jarvis
76 West Village Square Rd.
Centerville, UT 84014

Christopher Cruz Joe
P.O. Box 1388
Shiprock, NM 87420

Orval Cruz Joe
P.O. Box 1388
Shiprock, NM 87420

Orval Cruz Joe
63 Mission Park Loop
Los Lumas, NM 87031
[Address updated 12/18/2013]

John R. Disselhorst and Estelle M. Disselhorst
Trust, Disselhorst, Trustee
205 Homestead
La Grange Park, IL 60526

Jimmy Lawrence Justice
2491 North HWY 89, Trailer 111
Pleasant View, UT 84404
[Address updated 11/06/2013]

Mary Lou Huber
P.O. Box 55
Lapoint, UT 84039

Shirley Huber
P.O. Box 154
Lapoint, UT 84039

M. Leon Hunsaker
500 Fox Ridge Drive
Box 155
Providence, UT 84332

Verl Iorg, Jr.
4430 West 3240 South
West Valley City, UT 84120

Gerald Kaye Iorg
4430 West 3240 South
West Valley City, UT 84120

J. Barry and Donna L. Hall Family Trust
11607 Roselawn Way
South Jordan, UT 84095

James P. Riley and Laura J. Riley Irrevocable
Declaration of Trust, Micheal Riley, Trustee
253 Linden Avenue
Elmhurst, IL 60126-3606

Janet Powell Family Trust
Calvin P. and Janet B. Powell, Trustees
3915 North 12000 West
Bluebell, UT 84007

Jencar, Ltd.
1777 South 2600 East
Salt Lake City, UT 84106

Lisa Marianne Justus
2198 Verona Cir
Pleasant Grv, UT 84062
[Address updated 11/22/2013]

Janice M. Kennedy
13315 High Star Drive
Houston, TX 77083

Kenneth E. and Elsie Corene Calder Trust
Kenneth E. Calder, Trustee
134 West 500 North
Vernal, UT 84078
[Address updated 11/06/2013]

Jerry Kettle
Route 2 Box 2140
Roosevelt, UT 84066

Mike Kettle
P.O. Box 134
Roosevelt, UT 84066

Peggy C. Killian
RT 2 Box 2027
Roosevelt, UT 84066

Carleen I. Kurip
Box 244
Fort Duchesne, UT 84026

Lamb Extension of Declaration of Trust &
Agreement of Trust
Karl L. Lamb, Trustee
P.O. Box 332
Myton, UT 84052

Cecelia Pantaloon Lambeth
514 West 2675 North
Cedar City, UT 84712

Joe Ann Shepard Huber Family Living Trust
Kenneth Huber
P.O. Box 56
LaPoint, UT 84039

Oreland Cruz Joe
P.O. Box 1388
Shiprock, NM 87420

Stella Mae Joe
P.O. Box 1388
Shiprock, NM 87420

Jon W. & Sally D. Larson Family Trust
Jon W. Larson, Trustee
130 East 300 South
Hyrum, UT 84319

Lawrence E. & Mary Loraine Justice
RR 3 Box 3270
Myton, UT 84052

Fred W. Karo (Dec'd)
2820 Somerset Drive
Lauderdale Lakes, FL 33311
[Undeliverable]

Cinda Luann Kelley
232 North 8th West
Preston, ID 83263

Kenneth D. Luff Trust
Kenneth D. Luff, Trustee
1580 Lincoln St., Suite 850
Denver, CO 80203

Dick & Jean Kettle
Route 3 Box 3310
Myton, UT 84052

Lynn Michael Larsen
305 E. Sherman Ave.
Salt Lake City, UT

Don C. Larson
301 East Eagle View Lane
Blanding, UT 84511

Paul R. Larson
1672 North 175 West
Cedar City, UT 84721

Grace Lawyer
1211 Monterey Rd.
South Pasadena, CA 91030
[Undeliverable]

Barbarita Luceero Montes Lee
P.O. Box 1384
Vernal, UT 84078

Roger C. Lindley
788 East 1100 North
Pleasant Grove, UT 84062

Annamarie Locke
P.O. Box 504
Roosevelt, UT 84066

Verna R. Locke
1212 East Center Street
Springville, UT 84663

William I. Locke
Rt. 2 Box 2309
Roosevelt, UT 84066
[Undeliverable]

Lola Tamson Carroll Trust
1030 South 850 West
Vernal, UT 84078

Mark B. Kettle
1718 East 1000 South
Ballard, UT 84066

Ralph & Wanda Kettle
P.O. Box 375
Altamont, UT 84001

Jack Lee Kughler
141 South 900 West
Salt Lake City, UT 84104-1125
[Address updated 11/06/2013]

Juanita Lucero La Rose
2375 West 1000 North
Vernal, UT 84078

Ann W. Lambert
3375 Cherokee Lane
Provo, UT 84604

Velma L. Lane
6121 Falcon Lane
Morrison, CO 80465

Adrienne Larson
c/o William S. Nicholson, CPA
300 East 4500 South
Salt Lake City, UT 84107

Kenneth Larson
P.O. Box 4
Manti, UT 84642-0004

Michelle S. Lavin
14631 Mimosa Lane
Tustin, CA 92780

LeCompte Legacy, LLC
2711 Centerville Rd., Suite 400
Wilmington, DE 19808

Joan P. Lucero
P.O. Box 208
Fort Duchesne, UT 84026

David O. Lundberg
3729 View Crest Circle
Salt Lake City, UT 84124

Jared L. Lundburg
36 Galt Lane
Ft. Rucker, AL 36362
[Undeliverable]

Cherie Moss Lyon
1700 Oak Lane
Provo, UT 84601

MacMurray Investment Company
5335 Rose Leaf Drive
Murray, UT 84123

April Moss Mantle
1209 Elm
Mission, TX 78572

Robert Douglas Maritan
1627 Cambridge Rd
Fayetteville, AR 72701
[Address updated 11/06/2013]

Abigail Marsh
6931 East Girard Avenue
Denver, CO 80224

Karen Martinez
RT 3 Box 3421
Myton, UT 84052

Valda D. Massey (Dec'd)
3079 W 500 S
Vernal, UT 84078
[Address updated 11/22/2013]

Mordecai Lewis Marsh IV
8027 South Pennsylvania Court
Littleton, CO 80122

Ronald A. Lindley
71 East 2050 North
Provo, UT 84064

Martin G. & Jill Locke
2026 North 4650 West
Ogden, UT 84404-9730

William B. Locke
8398 Old Mooringsport Road
Shreveport, LA 71107

Jane Burwell Loftis
725 Quarter Staff Road
Winston-Salem, NC 27104

Bernard Lucero
P.O. Box 319
Neola, UT 84053

Sharla Lundberg Arnold
1808 Mountain Crest Drive
Draper, UT 84020

Linda Lundberg
232 S Center Street
Delta, UT 84624

Tracy Colleen Lyons
Rt 3, Box 3270
Myton, UT 84052

Margaret A. Hooper Family Estate Trust
Jerrl L. Hooper, Trustee
705 Lakeway Drive
El Paso, TX 79932
[Undeliverable]

Adrian B. Massey
1131 South 730 West
Payson, UT 84651

Floyd L. Massey
P.O. Box 93
Jensen, UT 84035-0093

Michael F. D. Massey
162 North 130 East
Orem, UT 84057

Sherwin Basil Massey
953 South 930 West
Payson, UT 84651

Heirs of Audrey Lighton McClement
1099 W Washington Ave
Gilbert, AZ 85233-5230
[Address updated 11/22/2013]

Dennis A. McClement
1099 W Washington Ave
Gilbert, AZ 85233-5230
[Address updated 11/22/2013]

Paul L. McCulliss
P.O. Box 3248
Littleton, CO 80161

Loye Ranae McDonald
333 Rosewood Park Lane
Draper, UT 84020

Illela McKinlay (Dec'd)
Box 39
Teton City, ID 83451

Harold W. Marrs
P.O. Box 110
Vernal, UT 84078
[Undeliverable]

Stephen Abbot Marsh
8969 West Harvard Place
Lakewood, CO 80227
[Address updated 11/18/2013]

Marvil Investments LLC
3183 E. Old Ridge Cir.
Salt Lake City, UT 84121-4422
[Address updated 11/04/2013]

Julian A. Massey, Jr.
1749 North 1500 West
Vernal, UT 84078-9604

Diedra Dawn Massey
3079 West 500 South
Vernal, UT 84078

Laerydin Val Massey
3070 West 500 South
Vernal, UT 84078

Nolan G. Massey
1398 West 400 South
Vernal, UT 84078

Dorothy McClellan
1943 East Pegram Street
Meridian, ID 83642

Robert L. McClement, Jr.
1128 SE Salmonberry Road
Port Orchard, WA 98366

Scott G. McKnight
Box 201
Price, UT 84501

Margaret Ann McCue
5690 W Atlantic Ave Apt 106
Del Ray Beach, FL 33484-8217
[Address updated 11/06/2013]

Heirs of Marriner F. McMullin
830 East Scenic Drive North
Washington, UT 84780

Lana H. McDonald
P.O. Box 1630
Vernal, UT 84078

Frank and Marlene McMullin
830 East Scenic Drive North
Washington, UT 84780

Carrie Jean McGregor
228 West 3450 North
Pleasant View, UT 84414

James McNaughton
2354 Galaxy Way
Lake Orion, MI 48360

Gordon A. McKinlay
4141 East 550 East
Rigby, ID 83442

MHM Resources, LP
P.O. Box 51570
Midland, TX 79710-1570

Heirs of Jennie J. McMullin
830 East Scenic Drive North
Washington, UT 84780

Mark C. Miller
3113 Carrigan Canyon Dr.
Salt Lake City, UT 84109

David J. and Christeen McMullin
HC Box 100
Randlett, UT 84063

Sherie L. Miller
1207 South 5th West
Rexburg, ID 83440

Joseph and Julie McMullin
P.O. Box 574
Washington, UT 84780

Carlyn Mitas
33500 SE Stevens Rd.
Corbett, OR 97019

Judith G. Merritt
2689 High Pine Church Road
Asheboro, NC 27205-9347

MJG Western Exploration & Development LLC
5409 Fire Pink Way
Raleigh, NC 27613

Milam Sons Minerals L.L.C.
P.O. Box 26
Chelsea, OK 74016-0026

Antone Grant Moss
3702 Dixie Circle
West Jordan, UT 84084
[Undeliverable]

Nancy K. Miller
2926 Banbury Road
P.O. Box 21504
Salt Lake City, UT 84121-0504

Peggy Vermillion Moss
1021 Williams Ave.
Salt Lake City, UT 84105
[Undeliverable]

Cathy Loraine Murray
Route 3 Box 25 B
Myton, UT 84052
[Address updated 1/4/2013]

Emma Jean Murray
218 West Rangerly Ave.
Rangely, CO 81648

Ray Murray
1515 East 4000 South
Vernal, UT 84078

Nancy K. Sparks Living Trust
David Alan Sparks, Trustee
5804 Cranston Place
Midland, TX 79707-5025
[Address updated 12/9/2013]

Larraine M. Nelson
2036 W. 1600 N.
Provo, UT 84604

Douglas and Christine Newson
11607 Roselawn Way
South Jordan, UT 84095

Oberhansly Ranch LLC
HC Box 45
Neola, UT 84053-9601

O'Brien Production Company, Inc.
550 W Texas, Suite 1140
Midland, TX 79701
[Undeliverable]

Renee S. Millett
990 N. Daybreak Dr.
Washington, UT 84780
[Undeliverable]

Monte and DraDonna Mitchell
4265 North 2500 East
Roosevelt, UT 84066

Merne S. Moore
P.O. Box 3151 RR 3
Myton, UT 84066

Elaine Watson Moss
1925 East 3900 South
Salt Lake City, UT 84124-1646

Susan Mundell
3390 West Monmouth Ave.
Englewood, CO 80110

Clyde R. (Rick) Murray
2214 RR 2
Roosevelt, UT 84066

Jeremiah Martin Murray
P.O. Box 163
Heber City, UT 84032

Susan K. Murst
2352 N. 3450th Road
Marseilles, IL 61341
[Undeliverable]

Mary Ann Baxter Nelson
P.O. Box 708752
Sandy, UT 84070
[Undeliverable]

Janet E. Olsen
1746 North 900 East
Ogden, UT 84414

Olson Family Trust
3163 East Fox St.
Mesa, AZ 85213
[Undeliverable]

Leslie Rae Gottschall Olsson
1524 Bonham Ct.
Irving, TX 75038-5900
[Address updated 11/06/2013]

Ouray Park Irrigation Company
P.O. Box 395
Roosevelt, UT 84066

Barbara U. Oxborrow
51 Hillsborough Drive
Pleasant View, UT 84414-2271

Pan Oklahoma Corporation
PO Box 371
Riverton, UT 84065

Delbert Ray Parnell
2115 N Mesa Ave
Roswell, NM 88201
[Address updated 11/22/2013]

Lloyd Parnell
P.O. Box 30
San Acacia, NM 87831

Patricia A. Peleschka Family Living Trust
Patricia Ann Peleschka, Trustee
9888 South Marwood Park Lane
South Jordan, UT 84095

Shirley B. Norton, aka Neilson
1655 Fieldcrest Lane
Salt Lake City, UT 84117

Loretta E. Oborn
212 Baldwin
Roseville, CA 95678

David R. Olsen
389 Isle Court
Palm Beach Garden, FL 33418

Kent S. Olsen
7065 S. Penrose Court
Centennial, CO 80122

Ralph Paul Olson
40 North 500 East
Pleasant Grove, UT 84057

Heirs of Ora Batchelor Ornsby
10207 218th Ave. Court East
Bonney Lake, WA 98391

Owen Dale Anderson and Glenna Anderson
1982 Family Trust
Orlan D. Anderson
P.O. Box 92
Vernal, UT 84078-0092

Tamara Parkinson
1207 South 5th West
Rexburg, ID 83444

Larry R. Parnell
HCR 77 Box 7
Abiquiu, NM 87510

Chauncey Eugene Penfold
1019 Fortune Rd.
Youngsville, LA 70592-5445

Jacqueline Peters
20838 144th Ave. SE
Kent, WA 98042

Sharma Lundberg Phillips
1123 Riverview Drive
Glenwood Springs, CO 81601

Kenneth (Pete) and Joan B. Pickup
HC 69 Box 102
Randlett, UT 84063

Lyle C. Pickup
8322 Romaine Drive
Sandy, UT 84070

David Christian Pierson
13705 El Espejo
La Mirada, CA 90638

Shane Patrick Pierson
4359 Sawgrass Court
Chino Hills, CA 91709

Paula Moss Preston
479 Wellington Street
Orange, CA 92669
[Undeliverable]

William J. Price
2816 Wayman View Court
Salt Lake City, UT 84117
[Address updated 11/06/2013]

Wayne Parnell
P.O. Box 162
Abiquiu, NM 87510

Rodney L. Peart
7323 Sovereign Ct.
Citrus Heights, CA 95621

Pentagon Oil Company
P.O. Box 399
Kilgore, TX 75663-0339

Joy Peterson
393 North 3400 East
Lewisville, ID 83431

Jason D. (Jake) & Trisha Pickup
P.O. Box 747
Vernal, UT 84078-0747
[Address updated 11/18/2013]

Kenneth D. Pickup
HC 69 Box 102
Randlett, UT 84063

Brenda Pierson
8173 South 535 East
Sandy, UT 84070

Michael D. Pierson
1012 Ridge Road
Lewiston, NY 14092

Steven J. Price
2816 Wayman View Court
Salt Lake City, UT 84117

Steven C. Purvis
Route 1
Brookside Lane
Boise, ID 83702
[Undeliverable]

Kera K. Townsend Proffitt
2700 F Street
Sacramento, CA 95816

Ralph V. & Geraldine C. Larson Family Trust
Ralph V. Larson, Trustee
1232 South 490 West
Orem, UT 84058

Ray and Donna F. West Living Trust
Ray West
3107 Metz
Midland, TX 79705

Gail Reese
6347 W Meadowlark Way
Florence, AZ 85132-6416
[Address updated 11/29/2013]

Constance Joy Reist
2352 Saint Francis Dr.
Palo Alto, CA 94303

Gary K. Reist
1120 Santa Rufina Ct.
Solano Beach, CA 92075

Edwin G. Richman
546 Mason Circle
Roosevelt, UT 84066-2212
[Undeliverable]

Max E. Richman
546 Mason Circle
Roosevelt, UT 84066-2212
[Undeliverable]

Val Rae Richman
1045 West 250 North
Roosevelt, UT 84066

Marilyn & Sidney W. Riker
P.O. Box 393
Lapoint, UT 84039

Joseph J. Riley
107 Mainsail Dr.
Stevensville, MD 21666-2528
[Undeliverable]

Mark D. & Robyn Riley
5708 Fairview
Downers Grove, IL 60516

Thomas J. & Mary Lee Riley
2100 N. Lincoln Park W., Apt 10 F N
Chicago, IL 60614-0983

Ruth Helen Rimback
211 Willow Valley Square, Apt C-226
Lancaster, PA 17602
[Address updated 11/04/2013]

Gloria Janet Womack Roberts
3210 West 330 North
Box 1265
Roosevelt, UT 84066
[Address updated 11/06/2013]

Kathy Roberts
457 W. Lagoon St., #46-3
Roosevelt, UT 84066

Theresa M. Roster
Route 1
Brookside Lane
Boise, ID 83702
[Undeliverable]

Daniel S. & Penny B. Sam
1104 West 1700 South
Vernal, UT 84078

Heirs of Deanna Kaye Sargent
305 East Sherman Ave.
Salt Lake City, UT 84115

Bonnie & Belinda Goodwin Scott
P.O. Box 965
Vernal, UT 84078
[Undeliverable]

Norman S. Sheya
9844 South 1300 East, Suite 135
Sandy, UT 84094
[Undeliverable]

Slover Minerals LP
3614 Royal Road
Amarillo, TX 79109

Smith Minerals Ltd.
Box 215
Craig, CO 81626

Kristin Barton Rodriquez
1 Mink Hollow Ln
Millstone Twp, NJ 08510-8731
[Address updated 11/22/2013]

Roy-Co
2005 South 300 West
Salt Lake City, UT 84115-1808

Dusty Sanderson
6405 Kingsbury
Amarillo, TX 79109
[Undeliverable]

Sather and Sons, Inc.
c/o Rodney J. Aycock
58 East 100 North
Roosevelt, UT 84066
[Undeliverable]

Joe Ann Shepard Huber
P.O. Box 56
Lapoint, UT 84039

Shirley Huber Family Living Trust
Glenn J. Huber
P.O. Box 154
LaPoint, UT 84039

John M. Smith (Heirs)
473 Becky Street
Tulare, CA 93274
[Undeliverable]

F. McKay & Jeannine Smith
2419 Bueno Vista Drive
West Jordan, UT 84088
[Undeliverable]

Sondra Kay Smull
14300 N 160th Dr
Surprise, AZ 85379
[Address updated 11/22/2013]

Beverlye Soli-Maritan
P.O. Box 702676
Tulsa, OK 74170

Sorenson Family Legacy Trust
Route 3 Box 3359
Myton, UT 84052

James W. Sparks (Dec'd)
4305 N. Garfield Street, Suite 244
Midland, TX 79705
[Undeliverable]

Donna Spitler
139 Mendel Dr
Smithfield, NC 27577
[Address updated 11/22/2013]

William O. & Deborah O. Spitler
3738 Mount Vernon Road
Tupelo, MS 38804-7098

Ms. LaVonne Garrison
Assoc. Director – Oil & Gas
Utah School and Institutional Trust Lands
Administration
675 E. 500 South, Suite 500
Salt Lake City, UT 84102

Richard Scott Stewart
2405 St. Mary's Drive
Salt Lake City, UT 84108

Billie Rae Stolworthy
27032 North 43 Street
Cave Creek, AZ 85331

Horace Snyder
271 B Street
Salt Lake City, UT 84103
[Undeliverable]

M. Virginia and Marvin G. Somers
15935 N. McCauley Lane
Mount Vernon, IL 62864-7951
[Address updated 11/06/2013]

Nicholle Spainhower
1026 E. 1160 S.
Provo, UT 84606

Charles Almon & Rita Sue Spitler
6 Tanners Row
Pooler, GA 31322-9641

James D. & Jackie R. Spitler
8749 East Casey Road
Mount Vernon, IL 62864-1922

George G. Staley
400 West Illinois Ave., #970
Midland, TX 79701

Phyllis S. Stewart
2405 St. Mary's Drive
Salt Lake City, UT 84108

Rhea Jean Stoddard
4057 Ivana St.
West Valley City, UT 84120

Melba Stone
1768 Herbert Ave.
Salt Lake City, UT 84108

Stonegate Resources LLC
4994 E. Meadows Drive
Park City, UT 84098-5921

David M. & Norma G. Swenson
Route 3 Box 3319
Myton, UT 84052

Talisman Energy USA, Inc.
50 Pennwood Place
Warrendale, PA 15086

Mildred M. Tate
1125 S. 58th Street, Space 77
Springfield, OR 97478

H. Thomas Taylor
1434 West Renaissance Place
Pleasant Grove, UT 84062

Doral Leslie Thacker
1266 South Riata Street
Gilbert, AZ 85296

Sybil Thomas
19710 Timberridge Dr.
Magnolia, TX 77355

TOC – Rocky Mountains, Inc.
c/o BP America Production Company
P.O. Box 3092
Houston, TX 77253

Timothy E. Townsend
240 The Village, #201
Redondo Beach, CA 90277

Karen Barton Summerhays
P.O. Box 544
Kalaheo, HI 96741

Szyndrowski Western Development LLC
9070 Sunrise Lane
Orland Park, IL 60462

Katheryn M. Talbot
P.O. Box 866
Panquitch, UT 84759

Heirs of Charles Van Tate
1125 S 58th St., Space 77
Springfield, OR 97478

Elaine S. Taylor
Box 14
Cody, WY 82414

Dale Francis Thacker
794 East Coventry Ln.
Alpine, UT 84004

Thomas Edwin Hall Testamentary Trust
Jay M. Hall, Trustee
965 Pinnocchio Drive
Salt Lake City, UT 84116

United States Bureau of Land Management
Vernal Field Office
Attn: Jerry Kenczka
170 South 500 East
Vernal, UT 84078

Charles R. Tierce
401 W. Texas Avenue, Suite 404
Midland, TX 79701-4414

United States Bureau of Land Management
Utah State Office
Attn: Roger Bankert
440 West 200 South, Suite 500
Salt Lake City, UT 84101

Norma Upp McMullen
4452 Desert Hills Drive
Sparks, NV 89436-2618

John G. Upp
7217 Mountain Hills Drive
West Jordan, UT 84081-4100

Utah Land Trust
Gilbert E. Maggs, III, Trustee
230 Park Avenue
Satellite Beach, FL 32937

Ute Indian Tribe
Energy and Minerals Department
P.O. Box 70
Fort Duchesne, UT 84026

Carolyn B. Vasta
2573 Abbey Lane SE
Salem, OR 97317

Marilyn M. Veasart
1036 Elm Way
Rock Springs, WY 82901

Virginia R. Hansen Trust Estate
James D. Hansen Trustee
2510 Frontier Dr.
Midland, TX 79705

Lanore K. Whiting
1787 South 40 West
Orem, UT 84058

Kera K. Townsend
2700 F Street
Sacramento, CA 95816

Uintah County
147 East Main
Vernal, UT 84078

University of Utah
c/o William S. Nicholson, CPA
300 East 4500 South
Salt Lake City, UT 84107

Jeff Upp
6350 Napa Ave.
Alta Loma, CA 91701

Utah National Parks Council, Inc. Boy Scouts
748 North 1340 West
Orem, UT 84057

Annete E. Van Wagoner
704 East Center Street
Heber City, UT 84032

George G. Vaught, Jr.
P.O. Box 13557
Denver, CO 80201-3557

Julia Moss Vincent
9141 South 1380 East
Sandy, UT 84092

Vivian E. Szyndrowski Revocable Living Trust
9070 Sunrise Lane
Orland Park, IL 60462

William F. Roden Bypass Trust
Gerald J. Hertel, Trustee
P.O. Box 10909
Midland, TX 79707

Peggy Jean Webster Wilson
P.O. Box 52467
Midland, TX 79710

Earl Alonzo Winn
5954 Normandy Place
Riverside, CA 92506

Ralph S. & LaJean Winn
Route 3 Box 3275
Myton, UT 84052

Eileen Marie Lucero Wissiup
P.O. Box 431
Fort Duchesne, UT 84024

Wixom Trustee
1737 Nalulu Place
Honolulu, HI 96821

Burton Womack
P.O. Box 1109
Beaver Dam, AZ 86432

Glen Womack
233 East 100 South
Orem, UT 84058

Issac Womack
3679 S. 500 E.
Vernal, UT 84078

Gordon Douglas Womack, Life Est
3679 South 500 East
Vernal, UT 84078

Doris Kathryn Huber Walker
P.O. Box 317
Lapoint, UT 84039

Bernice & Joseph O. White
2795 W. 2890 S.
Salt Lake City, UT 84119-1840

Annabelle Wilkins
192 South State Street
Roosevelt, UT 84066
[Undeliverable]

Diana Lynn Wilson
P.O. Box 624
Huntington, UT 84528

Charles Ira & Diana Winn
Box 1
Ft. Duchesne, UT 84026

Linda Kay Winn
Rt. 2 Box 3270
Myton, UT 84052

Richard Samuel & Joann Winn
P.O. Box 249
Ft. Duchesne, UT 84026

Dean R. Wixom
542 Quail Run Ct., Apt. 60
Monterey, CA 93940
[Undeliverable]

Stanley Womack, Jr.
Rt. 2 Box 2320
Roosevelt, UT 84066

Fred B. & Shirley L. Womack
5527 Asbury Way
Stockton, CA 95219

Parker Jamie Womack
345 Hemlock
Rock Springs, WY 82901
[Address updated 11/06/2013]

Dale Womack, Trustee
485 West 250 South
Vernal, UT 84078

Darlene D. Wood, a widow
1211 Pennsylvania Gulch Rd.
Murphys, CA 95247

Woodside Family Trust
P.O. Box 5422
Ardmore, OK 73402
[Undeliverable]

Ervin D. Young
P.O. Box 156
Lapoint, UT 84039

BP America Production Company
P.O. Box 3092
Houston, TX 77253

Jeff Womack
363 Pine Cove Lane
Kaysville, UT 84037

Larry Womack
P.O. Box 407
Bear River City, UT 84301
[Address updated 11/06/2013]

Tammy Barlow
2445 South Springwood C.P.
Lafayette, CO 80026

Gordon Douglas Womack
485 West 250 South
Vernal, UT 84078

Jeff Warren Womack
214 East 1150 South, 313-2
Roosevelt, UT 84066

Linize Womack
3679 S. 500 E.
Vernal, UT 84078

Stanley Womack
Rt. 3 Box 3335
Myton, UT 84052

Wiley B. & Margaret A. Womack
227 Mentor Drive
Arlington, TX 76002
[Undeliverable]

Lisa N. Wood
17395 East Rice Circle, Unit B
Aurora, CO 80015-2781

Beatrice Yauney
2095 Eldon Way
Sandy, UT 84093-6401

Patsy Zambetti
2778 Cambridge Street
West Linn, OR 97068

Peter and Shelley Gavitte
4116 McKinnon Rd.
Napa, CA 94559

Kent Birchell
238 S 500 W
Vernal, UT 84078
[Address updated 11/22/2013]

Antelope ORRI, LLC
2441 High Timbers Dr Ste 120
The Woodlands, TX 77380
[Address updated 11/06/2013]

Forcenergy Onshore Inc.
707 17th Street, Suite 3600
Denver, CO 80202

Chevron USA Inc.
Attn: Todd Krantz
P.O. Box 2100
Houston, TX 77252-2100

III Exploration II LP
Attn: Mike Rich
P.O. Box 70019
Boise, ID 83706

James E. Anderson
15304 Willowbrook Lane
Morrison, CO 80465

Kearns Campbell Investment Co.
217 Cedar Street
Sandpoint, ID 83864

Legends Exploration, LP
5851 San Felipe, Suite 760
Houston, TX 77057

Petroglyph Energy, Inc.
P.O. Box 7608
Boise, ID 83707

Linda Hadley
5454 South 2200 West
Roy, UT 84067

Gary Womack
515 West 3500 North
Pleasant View, UT 84414

Karen Lundgreen
340 East 21st St., #3023
Ogden, UT 84401

Alpine King Inc.
1257 Third Avenue
Salt Lake City, UT 84103

Bill Barrett Corporation
Attn: David Watts
1099 18th Street, Suite 2300
Denver, CO 80202

Broughton Petroleum, Inc.
13 Townhouse Court
Bellaire, TX 77401-3315

Encana Oil & Gas (USA) Inc.
370 17th St., Suite 1700
Denver, CO 80202

Ivers Oil Company LLC
111 E. Lincoln Road, Suite 4
Spokane, WA 99208

Jerome B. Guinand and Dorothy K.
Guinand Trust
9522 E. Champagne Drive
Sun Lakes, AZ 85248

Steven L. Smith
129 Oakmont
San Antonio, TX 78212

Anna Beth Magee
2409 W. Kentucky Ave.
Midland, TX 79701-6854

Heirs of Marva Boss Upp
6350 Napa Ave.
Alta Loma, CA 91701

Heirs of Jo Anne Highsmith
123 Sequoyah
Buda, TX 78610

Heirs of John H. Houston
1045 East 470 North, #A3
Lehi, UT 84043

Karen Sirstins
11638 E. Onyx Ave.
Scottsdale, AZ 85253

Heirs of Craig Rushton Moss
1021 Williams Ave.
Salt Lake City, UT 84105
[Undeliverable]

Heirs of Raphael Grant Moss
2110 Tera Linda
Salt Lake City, UT 84117
[Undeliverable]

Dawn Burkgart
(no address disclosed by records)

Keystone Oil and Gas, LLC
950 S. Garfield St.
Denver, CO 80209

Newfield Production Company
1001 17th Street, Suite 2000
Denver, CO 80202

Richard Shane McKnight
P.O. Box 17169
Salt Lake City, UT 84117

Sandra G. McKnight
PO Box 779
Mesquite, NV 89024
[Address updated 11/06/2013]

The Joy Partners, Ltd.
P.O. Box 576
Ardmore, OK 73402-0576

Heirs of H. V. Upp
7217 Mountain Hills Drive
West Jordan, UT 84081-4100

D. Craig Hammond, Life Estate
2915 Coventry Lane
Greenwood, IN 46143

Heirs of George H: Houston
RR1 Box 1186
Roosevelt, UT 84066
[Address updated 12/31/2013]

Heirs of Chelta Moss Snyder
271 B Street
Salt Lake City, UT 84103
[Undeliverable]

Danny Wayne Murray
300 N. 900 SE
Roosevelt, UT 84066
[Undeliverable]

David Spitler
(no address disclosed by records)

Tressa Garner Moore
P.O. Box 535
Pocola, OK 74902

Brenda M. Zubeck
414 Swires Road
Kenai, AK 99611

Clara Darlene Hemphill Roy
142 S. Orchard Dr.
North Salt Lake, UT 84054

Grant G. Pickup & Eugenia B. Pickup, or their
successor, as trustees of the Grant G. Pickup
Family Living Trust executed March 31, 1982
Route 1, Box 1284
Roosevelt, UT 84066
[Undeliverable]

Three Brothers Inc.
P.O. Box 2209
Newport Beach, CA 92659
[Undeliverable]

Bryan W. Wickham & Annie D. Wickham
HC 69, Box 360
Randlett, UT 84063
[Address updated 11/06/2013]

Beth I. Berg, as Trustee of the Beth I. Berg
Revocable Living Trust
915 Saddle Drive, Apt # 120
Helena, MT 59601
[Address updated 11/06/2013]

Heirs of Eva G. Moss
3702 Dixie Circle
West Jordan, UT 84084
[Undeliverable]

James & Barbara MacDuff Living Trust
1822 W. 14200 S.
Bluffdale, UT 84065

Mike Spitler
6 Tanners Row
Pooler, GA 31322

Larry C. Murray
568 North Laruta Drive
Washington, UT 84780

Doug Spitler
1225 Brainard Woods Dr.
Dayton, OH 45458

Richard H. Johnson
3603 Lost Creek Rd.
Anaconda, MT 59711

Donna Jean Hanna
460 Lewis St.
East Helena, MT 59635
[Undeliverable]

William Terry Mitchell
5550 West McIntosh
Griffin, GA 30223

Howard W. Mitchell
5804 Knobby Hill Road
Narvon, PA 17555

Bryan W. Wickham, as Sole/Surviving Trustee
of the Bryan W. Wickham & Annie D.
Wickham Rev. Trust Dated 8/13/2003
HC 69, Box 360
Randlett, UT 84063
[Address updated 11/06/2013]

Niconia Neilson
745 14th St Se #3-202
Loveland, CO 80537-8942
[Address updated 11/22/2013]

William N. Stevens, Jr. & Marjorie E. Stevens
437 NW Reed Ln
Dallas, OR 97338
[Address updated 11/06/2013]

Douglas M. Brough
P.O. Box 110
Duchesne, UT 84021
[Undeliverable]

Olliver Kissling & Peggy Jean Kissling
5470 Bennet St.
Roosevelt, UT 84066

Chad P. Winn & Vernice K. Winn
505 N. 100 W.
Nephi, UT 84648

Kenneth D. Pickup & Joan B. Pickup
HC 69 Box 102
Randlett, UT 84063

Shirley P. Norton
185 N. 1800 S.
Roosevelt, UT 84066

John M. Smith & Corabel T. Smith, h/w
2930 E. 5th St.
Long Beach, CA 90814
[Undeliverable]

Eugenia B. Pickup & Grant G. Pickup, or their
successor, as trustees of the Eugenia B. Pickup
Family Living Trust executed March 31, 1982
Route 1, Box 1284
Roosevelt, UT 84066
[Undeliverable]

Pattie Reed
P.O. Box 146
Myton, UT 84052

Edward Earnest Turner & Diann Turner
h/w as JT
HC 69, Box 370
Randlett, UT 84063
[Undeliverable]

Dee W. Brough & Cloe L. Brough
as Trustees of the Brough Family Trust
u/a/d November 1, 2000
P.O. Box 60013
Randlett, UT 84063

Corporation of the Presiding Bishop of the
Church of Jesus Christ of Latter Day Saints
50 East North Temple Street
Salt Lake City, UT 84150

Ute Distribution Corporation
P.O. Box 696
Roosevelt, UT 84066

BSNR Raptor, L.P.
1001 Fannin, Suite 2020
Houston, TX 77002

Pearl Arkansas
P.O. Box 291
Ft. Duchesne, UT 84026

Virginia D. Corbett
864 Lake Elsie Dr
Tavares, FL 32778
[Address updated 12/09/2013]

Lili Marlaene Ashwood
6814 S. 1300 E., Apt 18
Salt Lake City, UT 84121-7232
[Address updated 11/04/2013]

CoBank, fka Federal Land Bank of Sacramento
245 N. Waco St.
P.O. Box 2940
Wichita, KS 67201-2940
[Address updated 11/04/2013]

Paul L. Atwood
P.O. Box 626
Bluebell, UT 84007-0026
[Address updated 11/04/2013]

Billy Hatch heir to Pearl Arkansas (deceased)
5264 West Side Drive
Kearns, UT 84118
[Address updated 12/31/2013]

A handwritten signature in blue ink that reads "Julie Ann Carter". The signature is written in a cursive style and is positioned above a horizontal line.